
PART C — UNINSURED MOTORISTS COVERAGE

INSURING AGREEMENT

- A. We will pay damages which an **insured** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** because of **bodily injury**:

1. Sustained by that **insured**; and
2. Caused by an accident.

The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the **uninsured motor vehicle**.

We will pay damages under this coverage only after the submission of claims exceeds our limits of liability under any applicable bodily injury liability bonds or policies.

- B. "**Insured**" as used in this Part means:

1. You or any **family member**.
2. Any other person **occupying your covered auto** with your express or implied permission. The actual use must be within the scope of that permission.
3. Any person entitled to recover damages because of **bodily injury** to which this coverage applies sustained by a person described in B.1. or B.2. above.

- C. "**Uninsured motor vehicle**" means a land motor vehicle or **trailer** of any type:

1. To which no bodily injury liability bond or policy applies at the time of the accident.
2. To which a bodily injury liability bond or policy applies at the time of the accident but the amount paid for **bodily injury** under that bond or policy to an **insured** is not enough to pay the full amount the **insured** is legally entitled to recover as damages.
3. Which is a hit-and-run vehicle whose operator or owner cannot be identified and which hits or which causes an accident resulting in **bodily injury** without hitting:
 - a. you or any **family member**;
 - b. a vehicle which you or any **family member** are **occupying**; or
 - c. **your covered auto**.
4. To which a bodily injury liability bond or policy applies at the time of the accident, but the bonding or insuring company:

If there is no physical contact with the hit-and-run vehicle the **insured** must show, by an independent and disinterested witness, that the **bodily injury** was the result of the actions of an unidentified motorist.

4. To which a bodily injury liability bond or policy applies at the time of the accident, but the bonding or insuring company:

a. denies coverage; or

b. is or becomes insolvent.

However, "**uninsured motor vehicle**" does not include any vehicle or equipment:

1. Owned by or furnished or available for the regular use of you or any **family member**.
2. Owned by any governmental unit or agency.
3. Operated on rails or crawler treads.
4. Designed mainly for use off public roads while not on public roads.
5. While located for use as a residence or premises.

SUPPLEMENTARY PAYMENTS

In addition to our limit of liability we will pay to an **insured** prejudgment interest awarded by a court to the **insured** on that part of a judgment we pay.

EXCLUSIONS

- A. We do not provide Uninsured Motorists Coverage for **bodily injury** sustained by any **insured**:

1. While **occupying**, or when struck by, any vehicle owned by that **insured** which is not insured for this coverage under this policy. This includes a **trailer** of any type used with that vehicle.
2. While **occupying your covered auto** when it is being used as a public or livery conveyance. This exclusion (A.2.) does not apply to a share-the-expense car pool.
3. While using any vehicle while employed in the pickup or delivery of newspapers or magazines, food or any products for the purpose of compensation. This exclusion does not apply to delivery that is incidental to an **insured's business**.
4. While using a vehicle without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted. However, this exclusion does not apply to you or any **family member** using **your covered auto**.
5. While **occupying** or operating an owned motorcycle or moped.
6. While using any vehicle while it is:
 - a. operating on a surface designed or used for racing except for an organized and controlled event that is not a speed, performance, stunt or demolition event;

- b. participating in a high performance driving or racing instruction course or school; or
 - c. preparing for, practicing for, used in, or competing in any prearranged or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.
- B. This coverage shall not apply directly or indirectly to benefit any insurer or self-insurer under any of the following or similar law:
 - 1. Workers compensation law; or
 - 2. Disability benefits law.
- C. We do not provide Uninsured Motorists Coverage for **punitive or exemplary damages**.
- C. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part **A** or Part **B** of this policy.
- D. We will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.
- E. We will not pay for any element of loss if a person is entitled to receive payment for the same element of loss under any of the following or similar law:
 - 1. Workers compensation law; or
 - 2. Disability benefits or occupational disease laws.
- F. A vehicle and attached **trailer** are considered one vehicle. Therefore the limits of liability will not be increased for an accident involving a vehicle which has an attached **trailer**.

LIMIT OF LIABILITY

- A. The limit of liability shown in the Declarations for "each person" for Uninsured Motorists Coverage is our maximum limit of liability for all damages, including damages for care and loss of services (including loss of consortium and wrongful death), arising out of **bodily injury** sustained by any one person in any one auto accident.

Subject to this limit for "each person", the limit of liability shown in the Declarations for "each accident" for Uninsured Motorists Coverage is our maximum limit of liability for all damages for **bodily injury** resulting from any one auto accident.

This is the most we will pay regardless of the number of:

- 1. **Insureds;**
 - 2. Claims made;
 - 3. Vehicles or premiums shown in the Declarations; or
 - 4. Vehicles involved in the accident.
- B. If the Declarations indicate Combined Single Limit Coverage applies, paragraph (A.) above is replaced by the following:

The limit of liability shown in the Declarations for Uninsured Motorists Coverage is our maximum limit of liability for all damages resulting from any one auto accident. This is the most we will pay regardless of the number of:

- 1. **Insureds;**
 - 2. Claims made;
 - 3. Vehicles or premiums shown in the Declarations; or
 - 4. Vehicles involved in the auto accident.

OTHER INSURANCE

If there is other applicable insurance available under one or more policies or provisions of coverage that is similar to the insurance provided under this Part of the policy:

- A. With respect to **bodily injury** sustained by an **insured**:
 - 1. While **occupying** a vehicle owned by that person or while not **occupying** any vehicle, any recovery for damages sustained by an **insured** as a named insured or **family member** may equal but not exceed the highest applicable limit for any one vehicle under this insurance or any other insurance.
 - 2. While **occupying** a vehicle not owned by that person, the following priorities of recovery will apply:
 - a. The Uninsured Motorists Coverage applicable to the vehicle the **insured** was **occupying** at the time of the accident will be primary.
 - b. If the primary insurance is exhausted, any excess recovery for damages sustained by an **insured** as a named insured or **family member** may equal but not exceed the highest applicable limit for any one vehicle under this insurance or any other insurance. In no instance will more than one limit be available as excess insurance.
- B. We will pay only our share of loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits.
- C. If part 2. of the definition of **uninsured motor vehicle** applies, this insurance shall apply as

excess insurance over such liability bond or policy, up to the amount the **insured** is legally entitled to recover for damages because of **bodily injury** caused by the accident subject to the limits specified for this insurance.

ARBITRATION

A. If we and an **insured** do not agree:

1. Whether that **insured** is legally entitled to recover damages; or
2. As to the amount of damages which are recoverable by that **insured**;

from the owner or operator of an **uninsured motor vehicle** or **underinsured motor vehicle** then the matter may be arbitrated. However, disputes concerning coverage under this Part may not be arbitrated.

Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.

B. Each party will:

1. Pay the expenses it incurs; and
2. Bear the expenses of the third arbitrator equally.

C. Unless both parties agree otherwise, arbitration will take place in the county in which the **insured** lives. Local rules of law as to procedure and evidence will apply. A decision agreed to by two of the arbitrators will not be binding.

PART D — COVERAGE FOR DAMAGE TO YOUR AUTO

INSURING AGREEMENT

A. We will pay for direct and accidental loss to **your covered auto** or any **non-owned auto**, including its equipment, any child safety seat in use in **your covered auto** or **non-owned auto**, minus any applicable deductible shown in the Declarations. We will pay for loss to **your covered auto** caused by:

1. Other than **collision** only if the Declarations indicate that Comprehensive Coverage is provided for that auto.
2. **Collision** only if the Declarations indicate that Collision Coverage is provided for that auto.

If there is a loss to a **non-owned auto**, we will provide the broadest coverage applicable to any vehicle shown in the Declarations.

Deductible

Unless stated otherwise, the applicable deductible shown in the Declarations shall be applied to each accidental loss covered under this Part of the policy. However,

- a. if loss to more than one of **your covered autos** or a **non-owned auto** results from the same loss, only the highest applicable deductible will apply;
- b. in the event of a **collision** with another vehicle insured by a Safeco insurance company, other than a vehicle described as **your covered auto** or **non-owned auto**, no deductible will apply.
- c. if loss to **your covered auto** or a **non-owned auto** results from the

same event as a covered loss under your Homeowners, Condominium or Rental policy issued by a Safeco company, no deductible will apply to **your covered auto** or a **non-owned auto**.

B. “**Collision**” means the upset of **your covered auto** or a **non-owned auto** or its impact with another vehicle or object.

“**Comprehensive**” means loss, other than **collision**, to **your covered auto** or a **non-owned auto**. Losses caused by the following are not **collision** losses but are **comprehensive** losses:

Loss caused by missiles or falling objects; fire; theft or larceny; explosion or earthquake; windstorm; hail, water or flood; malicious mischief or vandalism; riot or civil commotion; contact with a bird or animal; or breakage of glass.

If breakage of glass is caused by a **collision**, you may elect to have it considered a loss caused by **collision**.

C. 1. “**Non-owned auto**” means:

- a. Any private passenger auto, pickup, van (other than a cargo van) or **trailer** with a Gross Vehicle Weight Rating of 12,000 pounds or less or any cargo van or moving van with a Gross Vehicle Weight Rating of 18,000 pounds or less, not owned by or furnished or available for the regular use of you or any **family member** while in the custody of or being operated by you or any **family member**; or

- b. Any auto or **trailer** you do not own while used as a temporary substitute for **your covered auto** which is out of normal use because of its:
 - (1) breakdown;
 - (2) repair;
 - (3) servicing;
 - (4) loss; or
 - (5) destruction.
- 2. "**Non-owned auto**" does not include any vehicle which has been operated or rented by or in the possession of an **insured** for 30 or more consecutive days. This does not apply to a temporary substitute vehicle authorized by us.
- D. "**Camper body**" means a body equipped as sleeping or living quarters which is designed to be mounted on a pickup.
- E. "**Diminution in value**" means the actual or perceived loss in market or resale value which results from a direct and accidental loss.

TRANSPORTATION EXPENSES

- A. Subject to the limitations described in paragraphs B. and C, below, we will pay:
 - 1. Temporary transportation expenses incurred by you in the event of the total theft of **your covered auto** or a **non-owned auto**. We will pay for such expenses only if the Declarations indicate that Comprehensive Coverage is provided for that auto. We will pay only expenses incurred during the period:
 - a. beginning 48 hours after the theft; and
 - b. ending when **your covered auto** or the **non-owned auto** is returned to use or we pay for its loss.
 - 2. Indirect loss expenses for which you become legally responsible in the event of a loss to a **non-owned auto**. We will pay only expenses beginning when the **non-owned auto** is withdrawn from use for more than 24 hours. We will pay for indirect loss expenses if the loss is caused by:
 - a. a **comprehensive** loss only if the Declarations indicate that Comprehensive Coverage is provided for any **your covered auto**.
 - b. **collision** only if the Declarations indicate that Collision Coverage is provided for any **your covered auto**.
- B. For the expenses described in paragraphs A.1. and A.2. we will pay the greater of the following, without application of a deductible:
 - 1. Up to \$25 per day, to a maximum of \$750; or

- 2. The limit for Loss of Use, if any, shown in the Declarations.
- C. Our payment for the expenses described in paragraphs A.1. and A.2. will be limited to that period of time reasonably required to repair or replace the **your covered auto** or the **non-owned auto**.

EXCLUSIONS

We will not pay for:

- 1. Loss to **your covered auto** or any **non-owned auto** which occurs while it is being used as a public or livery conveyance. This exclusion (1.) does not apply to a share-the-expense car pool.
- 2. Loss to **your covered auto** or any **non-owned auto** while employed in the pickup or delivery of newspapers or magazines, food or any products for the purpose of compensation. This exclusion does not apply to delivery that is incidental to an **insured's business**.
- 3. Damage or loss due and confined to:
 - a. wear and tear;
 - b. freezing;
 - c. mechanical or electrical breakdown or failure; or
 - d. road damage to tires.

This exclusion (3.) does not apply if the damage results from the total theft of **your covered auto** or any **non-owned auto**.
- 4. Damage or loss arising out of neglect. Neglect means your failure to adequately maintain **your covered auto** or **non-owned auto** after the loss.

With respect to water under Comprehensive Coverage, there is no coverage for:

 - a. moisture, condensation, humidity, or vapor;
 - b. water intrusion around or through panels, surfaces and seals; or
 - c. water that collects in spaces or ventilation systems; or
 - d. **fungi**, dry rot or bacteria;

resulting from neglect.
- 5. Loss due to or as a consequence of:
 - a. discharge of any nuclear weapon (even if accidental);
 - b. war (declared or undeclared);
 - c. civil war;
 - d. insurrection; or
 - e. rebellion or revolution.

6. Loss from or as a consequence of the following, whether controlled or uncontrolled or however caused:
 - a. nuclear reaction;
 - b. radiation; or
 - c. radioactive contamination.
7. Loss to:
 - a. any electronic equipment designed for the production or reproduction of sound, pictures, audio, visual or data or that receives or transmits sound, pictures or data signals.
 - b. This exclusion (7.) does not apply to:
 - (1) equipment designed for the reproduction of sound or transmission of sound, pictures, audio, visual or data signals and accessories used with such equipment, provided:
 - (a) the electronic equipment is permanently installed by the original vehicle manufacturer or manufacturer's dealership in **your covered auto** or any **non-owned auto**; or
 - (b) the electronic equipment is:
 - i. removable from a housing unit which is permanently installed by the original vehicle manufacturer or manufacturer's dealership in the auto;
 - ii. designed to be solely operated by use of the power from the auto's electrical system; and
 - iii. in or upon **your covered auto** or any **non-owned auto**; at the time of loss.
 - (c) any equipment installed through our Teensurance™ program.

However, we will pay only up to a total of \$1,000 or the actual cash value of **your covered auto** or any **non-owned auto**, whichever is less, for all such equipment that is not installed by the original vehicle manufacturer or manufacturer's dealership.
 - (2) any other electronic equipment that is:
 - (a) necessary for the normal operation of the auto or the monitoring of the auto's operating systems;
 - (b) an integral part of the same unit housing any electronic equipment described in 7.a. and permanently installed by the original vehicle manufacturer or manufacturer's dealership in **your covered auto** or any **non-owned auto**.
8. Loss to:
 - a. tapes, records, discs, or other media used with such equipment described in exclusion (7.); or
 - b. any other accessories, not permanently installed used with such equipment described in exclusion (7.).
9. Loss to **your covered auto** or any **non-owned auto** due to destruction or confiscation by governmental or civil authorities because you or any **family member**:
 - a. engaged in illegal activities; or
 - b. failed to comply with Environmental Protection Agency or Department of Transportation standards.

This exclusion (9.) does not apply to the interests of Loss Payees in **your covered auto**.
10. Loss to a **camper body**, motorhome or **trailer** you own which is not shown in the Declarations. This exclusion (10.) does not apply to a **camper body**, motorhome or **trailer** you:
 - a. acquire during the policy period; and
 - b. ask us to insure within 30 days after you become the owner.
11. Loss to any **non-owned auto** when used by you or any **family member** without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted.
12. Loss to equipment, whether operational or not, whose design may be used for the detection or location of law enforcement equipment.
13. Loss to any **non-owned auto** being maintained or used by any person while

employed or otherwise engaged in the **business** of:

- a. selling;
- b. repairing;
- c. servicing;
- d. storing; or
- e. parking;

vehicles designed for use on public highways. This includes road testing and delivery.

14. Loss to any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in any **business** not described in exclusion 2. and 13. This exclusion (14.) does not apply to the maintenance or use by you or any **family member** of a **non-owned auto** which is a private passenger auto or **trailer**.

15. Loss to **your covered auto** or any **non-owned auto** while it is:

- a. operating on a surface designed or used for racing. This does not apply to an organized and controlled event that is not a speed, performance, stunt or demolition event;
- b. participating in a high performance driving or racing instruction course or school; or
- c. preparing for, practicing for, used in, or competing in any prearranged or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.

16. Loss to, or loss of use of, a **non-owned auto** rented by:

- a. you; or
- b. any **family member**;

if a rental vehicle company is precluded from recovering such loss or loss of use, from you or that **family member**, pursuant to the provisions of any applicable rental agreement or state law.

17. Loss to **your covered auto** or any **non-owned auto**, arising out of the actual, alleged or threatened presence, growth, proliferation or spread of **fungi**, dry rot or bacteria.

18. Loss to **your covered auto**, **non-owned auto**, or **trailer**, for **diminution in value**.

19. Loss in excess of \$1,000 per claim or the actual cash value of **your covered auto** or any **non-owned auto**, whichever is less, for any furnishings or equipment that were not installed by the original vehicle manufacturer or manufacturer's dealership which mechanically or structurally changes your vehicle and results in increase in performance or change in appearance, including but not limited to:

- a. custom murals, paintings or other decals or graphics;
- b. custom wheels, tachometers, pressure and temperature gauges;
- c. modified or custom engines and fuel systems, light bars, racing slicks and/or oversized tires, roll bars and lift kits, winches, utility boxes, and tool boxes; or
- d. non-standard paint.

This exclusion does not apply to equipment installed to make a vehicle handicap accessible.

20. Loss arising out of the use of **your covered auto** while leased or rented to others.

21. Loss to **your covered auto** or a **non-owned auto** caused by an intentional act by you or a **family member**, or at the direction of you or a **family member**.

LIMIT OF LIABILITY

- A. At our option, our limit of liability for loss will be the lowest of:

- 1. The actual cash value of the stolen or damaged property;
- 2. a. The amount necessary to repair or replace the property;
- b. Determination of the cost of repair or replacement will be based upon one of the following:
 - (1) the cost of repair or replacement agreed upon by you and us;
 - (2) a competitive bid approved by us; or
 - (3) an estimate written based upon the prevailing competitive price. You agree with us that we may include in the estimate parts furnished by the original vehicle manufacturer or parts from other sources including non-original equipment manufacturers. The prevailing competitive price means prices charged by a

majority of the repair market in the area where the vehicle is to be repaired as determined by us; or

3. The limit of liability shown in the Declarations.

However, the most we will pay for loss to any **non-owned auto**, which is a **trailer**, is \$1,500.

- B. An adjustment for depreciation and physical condition may be made based upon the physical condition and wear and tear of the property or damaged part of the property at the time of the loss. This adjustment for physical condition includes but is not limited to, broken, cracked or missing parts, rust, dents, scrapes, gouges and paint condition. When replacing parts normally subject to repair or replacement during the useful life of the vehicle, we will not pay for the amount of any betterment.

PAYMENT OF LOSS

We may pay for loss in money or repair or replace the damaged or stolen property. We may, at our expense, return any stolen property to:

1. You; or
2. The address shown in this policy.

If we return stolen property we will pay for any damage resulting from the theft. We may keep all or part of the property at an agreed or appraised value.

If we pay for loss in money, our payment will include the applicable sales tax for the damaged or stolen property.

Loss payment will be made within 30 days after we receive your satisfactory proof of loss.

NO BENEFIT TO BAILEE

This insurance shall not directly or indirectly benefit any carrier or other bailee for hire.

OTHER SOURCES OF RECOVERY

- A. If other sources of recovery also cover the loss, we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, except as provided in (B.) below, any insurance we provide with respect to a **non-owned auto**

shall be excess over any other collectible source of recovery including, but not limited to:

1. Any coverage provided by the owner of the **non-owned auto**;
 2. Any other applicable physical damage insurance;
 3. Any other source of recovery applicable to the loss.
- B. We will provide primary insurance for a **non-owned auto** if a person engaged in the **business** of selling, repairing, or servicing motor vehicles provides the **non-owned auto** as a loaner vehicle to you or any **family member**:
 1. For temporary use while **your covered auto** is being serviced or repaired; or
 2. To demonstrate or test drive the vehicle.
 - C. If the **non-owned auto** is a rental motor vehicle, the following priorities of recovery apply:

FIRST PRIORITY Any source of recovery purchased by you or any **family member** from the owner of the rental motor vehicle.

SECOND PRIORITY Any source of recovery applicable to the **insured** as a named insured or **family member**.

APPRAISAL

- A. If we and you do not agree on the amount of loss, then an appraisal of the loss may be made. However, both parties must agree to the appraisal. If so agreed, each party will select a competent appraiser. The two appraisers will select an umpire. The appraisers will state separately the actual cash value and the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will not be binding. Each party will:
 1. Pay its chosen appraiser; and
 2. Bear the expenses of the appraisal and umpire equally.
- B. We do not waive any of our rights under this policy by agreeing to an appraisal.

PART E — DUTIES AFTER AN ACCIDENT OR LOSS

We may reduce coverage under this policy by the amount that your action or inaction of the following duties has caused us an additional loss:

- A. We must be notified promptly of how, when and where the accident or loss happened. Notice should also include the names and addresses of any injured persons and of any witnesses.

- B. A person seeking any coverage must:

1. Cooperate with us in the investigation, settlement or defense of any claim or suit.
2. Promptly send us copies of any notices or legal papers received in connection with the accident or loss.

3. Submit, as often as we reasonably require:
 - a. to physical examinations by physicians we select. We will pay for these exams.
 - b. to examination under oath and subscribe the same. We may examine any **insured** separately and apart from the presence of any other **insured**.
 4. Authorize us to obtain:
 - a. medical reports; and
 - b. other pertinent records.
 5. Submit a proof of loss, under oath if requested, when required by us.
- C. A person seeking Uninsured/Underinsured Motorists Coverage must also:
1. Report the accident to the police or other civil authority within twenty-four (24) hours or as soon as practicable if a hit-and-run driver is involved.
 2. Promptly send us copies of the legal papers if a suit is brought.
- D. A person seeking Coverage for Damage to Your Auto must also:
1. Take reasonable steps after loss to protect **your covered auto** or any **non-owned auto** and its equipment from further loss. We will pay reasonable expenses incurred to do this.
 2. Promptly notify the police if **your covered auto** or any **non-owned auto** is stolen.
 3. Permit us to inspect and appraise the damaged property before its repair or disposal.

PART F — GENERAL PROVISIONS

POLICY PERIOD AND TERRITORY

- A. This policy applies only to accidents and losses which occur:
1. During the policy period as shown in the Declarations; and
 2. Within the policy territory.
- B. The policy period is the period stated in the Declarations. The policy may be renewed for successive policy periods if the required premium is paid and accepted by us on or before the expiration of the current policy period. The premium will be computed at our then current rate for coverage then offered.
- C. The policy territory is:
1. The United States of America, its territories or possessions;
 2. Puerto Rico; or
 3. Canada.

This policy also applies to loss to, or accidents involving, **your covered auto** while being transported between their ports.

BANKRUPTCY

Bankruptcy or insolvency of the **insured** shall not relieve us of any obligations under this policy.

CHANGES

- A. This policy, your Declarations page and endorsements issued by us to this policy contain all the agreements between you and us. Its terms may not be changed or waived except by endorsement issued by us.

- B. The premium for your policy is based on information we have received from you or other sources. You agree to cooperate with us in determining if this information is correct and complete and you will notify us if it changes. If this information is incorrect, incomplete, or changes, we will adjust your premium during the policy term or take other appropriate action based upon the corrected, completed or changed information. Changes during the policy term that will result in a premium increase or decrease during the policy term include, but are not limited to, changes in:

1. The number, type or use classification of insured vehicles.
2. Operators using insured vehicles including newly licensed **family member** drivers and any household members that have licenses.
3. The location where your vehicle is principally garaged.
4. Customized equipment or parts.

You also agree to disclose all licensed drivers residing in your household.

- C. If we make a change which broadens coverage under this edition of your policy without additional premium charge, that change will automatically apply to your policy as of the date we implement the change in your state. This paragraph (C.) does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in

coverage, whether that general program revision is implemented through introduction of:

1. A subsequent edition of your policy; or
 2. An Amendatory Endorsement.
- D. Additional or return premium of \$3.00 or less resulting from policy changes will be waived.

PAYMENT OF PREMIUM

If your initial premium payment is by check, draft or any remittance other than cash, coverage under this policy is conditioned upon the check, draft or remittance being honored upon presentment to the bank or other financial institution. If the check, draft or remittance is not honored upon presentment, this policy may, at our option, be deemed void from its inception. This means that we will not be liable under this policy for any claims or damages which would otherwise be covered if the check, draft, or remittance had been honored upon presentment.

FRAUD

This policy was issued in reliance upon the information provided on your application. We may void this policy if you or an **insured** have concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct, which is material to the risk and was made with the intent to deceive.

We may deny coverage for an accident or loss if you or an **insured** have concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct, with the intent to deceive, at the time application was made or any time during the policy period.

We may deny coverage for fraud or material misrepresentation even after the occurrence of an accident or loss. This means we will not be liable for any claims or damages which would otherwise be covered. If we make a payment, we may request that you reimburse us. If so requested, you must reimburse us for any payments we may have already made.

LEGAL ACTION AGAINST US

A person or organization may bring a suit against us including, but not limited to, a suit to recover an agreed settlement or on a final judgment against an **insured**; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the **insured** and the claimant or the claimant's legal representative.

OUR RIGHT TO RECOVER PAYMENT

- A. If we make a payment under this policy and the person to or for whom payment was made has a right to recover damages from another person, entity or organization we shall be subrogated to that right. That person shall:

1. Do whatever is necessary to enable us to exercise our rights; and
2. Do nothing after loss to prejudice them.

However, our rights in this paragraph (A.) do not apply under Part D, against any person using **your covered auto** with your express or implied permission or other person having lawful possession and is not using a vehicle beyond the scope of the permission granted.

- B. This provision does not apply to damages an **insured** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** as defined in part 2. of the definition of **uninsured motor vehicle** under Uninsured Motorists Coverage.

Except with respect to coverage under part 2. of the definition of **uninsured motor vehicle** under Uninsured Motorists Coverage, we shall be entitled to a recovery only after the person has been fully compensated for damages.

TERMINATION

- A. **Cancellation.** This policy may be canceled during the policy period as follows:

1. The named insured shown in the Declarations may cancel by:
 - a. returning this policy to us; or
 - b. giving us advance written or verbal notice of the date cancellation is to take effect. We may waive the requirement the notice be in writing by confirming the date and time of cancellation to you in writing.
2. We may cancel by mailing by certified mail, except if cancellation is due to non-payment of premium or if the policy has been in effect less than 60 days at the time notice of cancellation is mailed, to the named insured shown in the Declarations at the address shown in this policy:
 - a. at least 10 days notice if cancellation is for nonpayment of premium; or
 - b. at least 30 days notice in all other cases.
3. After this policy is in effect for 60 days, or if this is a renewal policy, we will cancel only:
 - a. for nonpayment of premium; or
 - b. if your driver's license or that of:
 - (1) any driver who lives with you; or
 - (2) any driver who customarily uses **your covered auto**;

has been suspended or revoked and must have occurred:

- (1) During the policy period if this is not a renewal or continuation policy; or
- (2) If this is a renewal or continuation policy, during the policy period or the 180 days immediately preceding this policy's effective date.

- c. in the event of fraud or material misrepresentation in presentation of a claim.
- d. if we did not receive an application for insurance in which a valid binder has been issued.

B. Nonrenewal. If we decide not to renew this policy, we will mail notice to the named insured shown in the Declarations at the address shown in this policy. Notice will be mailed at least 20 days before the end of the policy period. Upon written request of the named insured, we will provide to the **insured** in writing the reasons for nonrenewal of the policy. We will have the right to non-renew this policy at the end of the policy period.

C. Automatic Termination. If we offer to renew and you or your representative do not accept, this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal premium when due shall mean that you have not accepted our offer.

Coverage for **your covered auto** shall automatically terminate on the effective date of any other motor vehicle insurance policy covering that vehicle.

D. Other Termination Provisions.

1. If the law in Louisiana at the time this policy is issued or renewed:
 - a. requires a longer notice period;
 - b. requires a special form of or procedure for giving notice; or
 - c. modifies any of the stated termination reasons;

we will comply with those requirements.

2. We may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.
3. If this policy is canceled, you may be entitled to a premium refund. If so, we will send you the refund. If you cancel the policy we will send you the refund within 30 days after the effective date of cancellation. The premium refund, if any, will be computed on a pro rata basis. However,

making or offering to make the refund is not a condition of cancellation.

4. The effective date of cancellation stated in the notice shall become the end of the policy period.
5. In the event that an agent, broker or insurance solicitor incorrectly states the premium amount for the automobile liability policy, the **insured** may cancel the policy and shall be returned the initial payment of premium, including fees and costs, less the prorated cost for the period of time of coverage at the initial stated premium, including fees and costs, and may cancel the insurance coverage, without penalty or loss of coverage, for the period of time that the premium, including fees and costs, was paid.

TRANSFER OF YOUR INTEREST IN THIS POLICY

A. Your rights and duties under this policy may not be assigned without our written consent. However, if a named insured shown in the Declarations dies, coverage will be provided for:

1. The surviving spouse if resident in the same household at the time of death. Coverage applies to the spouse as if a named insured shown in the Declarations; and
2. The legal representative of the deceased person as if a named insured shown in the Declarations. This applies only with respect to the representative's legal responsibility to maintain or use **your covered auto**.

B. Coverage will only be provided until the end of the policy period.

TWO OR MORE AUTOS INSURED; TWO OR MORE AUTO POLICIES

If this policy insures two or more autos or if any other auto insurance policy issued to you by us applies to the same accident, the maximum limit of our liability shall not exceed the highest limit applicable to any one auto. In no event shall the limit of liability of two or more motor vehicles or two or more policies be added together, combined, or stacked to determine the limit of insurance coverage available to you or any **insured**.

LOSS PAYABLE CLAUSE

As to the interest of the loss payee, this policy will remain in effect from the inception date and until ten days after proof of mailing that the cancellation notice has been mailed to the loss payee. When we pay the loss payee we shall, to the extent of payment, have the loss payee's rights of recovery.

Where fraud, misrepresentation, material omission, or intentional damage has been committed by or at the direction of any **insured**, or where the loss is

otherwise not covered under the terms of the policy, the loss payee or lienholder's interest will not be protected.

OUR DUTIES AFTER LOSS

We will pay the amount of any claim due any **insured** within thirty days after receipt of satisfactory proofs of loss from the **insured** or any party in interest.

Whenever a **property damage** claim on a personal vehicle is made by an **insured** or a third party claimant, and the damaged vehicle is located in a storage facility, the insurer responsible for payment of the claim shall cause an appraisal of the damaged vehicle to be made within ten working days of the date of notification of the location and availability of the vehicle. In the event the **property damage** is caused by a natural disaster or catastrophe or unusual circumstances, the appraisal requirement shall be twenty working days.

We shall furnish, upon request of any person claiming to have a loss covered under this policy, proof of loss forms for completion by such person.

STORAGE COSTS

If you give us your consent, we may move the damaged property, at our expense, to reduce storage costs during the claims process. If you do not give us your consent, we will pay only the storage costs which would have resulted if we had moved the damaged property.

NAMED DRIVER EXCLUSION

If there is an excluded driver under this policy, then we will not provide coverage for any claim arising from an accident or loss involving a motor vehicle being operated by that excluded person. This includes any claim for damages made against you or any **family member** or any other person or organization that is vicariously liable for an accident arising out of the operation of a motor vehicle by the excluded driver.

ADDITIONAL COVERAGES

AGREEMENT: WE WILL PROVIDE THE INSURANCE DESCRIBED IN EACH OF THE FOLLOWING ADDITIONAL COVERAGES ONLY IF INDICATED IN THE DECLARATIONS.

PROPERTY DAMAGE UNINSURED MOTORISTS COVERAGE

INSURING AGREEMENT

- A. We will pay damages which an **insured** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** because of **property damage** caused by an accident. The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the **uninsured motor vehicle**. We will pay under this coverage only after the limits of liability under any property damage liability bonds or policies applicable to the **uninsured motor vehicle** have been exhausted by payment of judgments or settlements.
- B. "**Insured**" as used in this coverage means you or any **family member**.
- C. "**Property damage**" as used in this coverage means injury to or destruction of **your covered auto**. However, **property damage** does not include:
 1. Loss of use of **your covered auto**; or
 2. Damage to property owned by the **insured** while contained in **your covered auto**.
- D. "**Uninsured motor vehicle**" means a land motor vehicle or **trailer** of any type:
 1. To which no liability bond or policy affording coverage for **property damage** applies at the time of the accident.

2. To which a liability bond or policy affording coverage for **property damage** applies at the time of the accident but the amount paid for **property damage** under that bond or policy to an **insured** is not enough to pay the full amount the **insured** is legally entitled to recover as damages.
3. Which is a hit-and-run vehicle whose operator or owner cannot be identified and which hits or which causes **property damage** without hitting **your covered auto**. If there is no physical contact with the hit-and-run vehicle the **insured** must show, by an independent and disinterested witness, that the **property damage** was the result of the actions of an unidentified motorist.
4. To which a liability bond or policy affording coverage for **property damage** applies at the time of the accident but the bonding or insuring company:
 - a. denies coverage; or
 - b. is or becomes insolvent.

However, "**uninsured motor vehicle**" does not include any vehicle or equipment:

1. Owned by or furnished or available for the regular use of you or any **family member**.
2. Owned by any governmental unit or agency.
3. Operated on rails or crawler treads.

4. Designed mainly for use off public roads while not on public roads.
5. While located for use as a residence or premises.

EXCLUSIONS

A. We do not provide Uninsured Motorists Coverage for **property damage**:

1. When **your covered auto** is being used as a public or livery conveyance. This exclusion (A.1.) does not apply to a share-the-expense car pool.
2. Loss to **your covered auto** or any **non-owned auto** while employed in the pickup or delivery of newspapers or magazines, food or any products for the purpose of compensation. This exclusion does not apply to delivery that is incidental to an **insured's business**.
3. While using a vehicle without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted. However, this exclusion does not apply to you or any **family member** using **your covered auto**.
4. For the first \$250 of the amount of the **property damage** to each of **your covered autos** as the result of any one accident.
5. To any motor vehicle owned by you for which you have purchased Collision Coverage under this policy or any other policy.
6. While **occupying** or operating an owned motorcycle or moped.
7. While using any vehicle while it is:
 - a. operating on a surface designed or used for racing except for an organized and controlled event that is not a speed, performance, stunt or demolition event;
 - b. participating in a high performance driving or racing instruction course or school; or
 - c. preparing for, practicing for, used in, or competing in any prearranged or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.

B. This coverage shall not apply directly or indirectly to benefit any insurer of the property.

C. We do not provide Property Damage Uninsured Motorists Coverage for **punitive or exemplary damages**.

LIMIT OF LIABILITY

A. Our maximum limit of liability for all damages resulting from any one accident will be the lesser of:

1. The limit of liability shown in the Declarations; or
2. The actual cash value of **your covered auto**.

This is the most we will pay, regardless of the number of:

1. **Insureds**;
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the accident.

B. An adjustment for depreciation and physical condition may be made based upon the physical condition and wear and tear of the property or damaged part of the property at the time of the loss. This adjustment for physical condition includes but is not limited to, broken, cracked or missing parts, rust, dents, scrapes, gouges and paint condition. When replacing parts normally subject to repair or replacement during the useful life of the vehicle, we will not pay for the amount of any betterment.

C. We will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.

OTHER INSURANCE

If there is other applicable insurance available under more than one policy or provision of coverage that is similar to the insurance provided by this coverage:

1. Any recovery for damages for **property damage** sustained by an **insured** may equal but not exceed \$10,000.
2. We will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits.

ARBITRATION

A. If we and an **insured** do not agree:

1. Whether that **insured** is legally entitled to recover damages; or
2. As to the amount of damages which are recoverable by that **insured**;

from the owner or operator of an **uninsured motor vehicle**, then the matter may be arbitrated. However, disputes concerning coverage under this Part may not be arbitrated.

Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.

- B. Each party will:
1. Pay the expenses it incurs; and
 2. Bear the expenses of the third arbitrator equally.
- C. Unless both parties agree otherwise, arbitration will take place in the county in which the **insured** lives. Local rules of law as to procedure and evidence will apply. Any decision of the arbitrator will not be binding.

ROADSIDE ASSISTANCE COVERAGE CALL 1-877-ROAD 101 (1-877-762-3101)

"**Your covered auto**" as used in this endorsement means a private passenger vehicle, motor home or trailer owned by you and for which a specific premium is shown on the Declarations for this coverage.

The following coverages apply to each vehicle for which this coverage is shown on the Policy Declarations:

1. Each time **your covered auto** or any **non-owned auto** is disabled due to mechanical or electrical breakdown we will pay reasonable and necessary expenses for the use of an **authorized service provider** to tow or flatbed **your covered auto** or **non-owned auto** up to 10 miles or to the nearest qualified place where necessary repairs can be made during regular **business** hours.
2. Each time **your covered auto** or any **non-owned auto** is disabled requiring:
 - a. Towing to dislodge the vehicle from its place of disablement within 100 feet of a public street or highway; or
 - b. Labor, including change of tire, at the place of its breakdown; or
 - c. Delivery of fuel, oil, water or other fluids (we do not pay the costs of these items); or
 - d. Key lock-out services;

we will cover up to one (1) hour of labor for the use of an **authorized service provider** for service at the place of disablement.
3. For policies with a 6 month policy term, coverage is limited to no more than two occurrences per vehicle plus an additional two occurrences per policy in a 6 month policy period for both coverages 1. and 2., above.

4. For policies with an annual policy term, coverage is limited to no more than four occurrences per vehicle plus an additional four occurrences per policy period for both coverages 1. and 2. above.

Authorized service provider means a service provider contracted by us providing, at no charge to you, roadside assistance as described and limited above.

When service is provided by other than an **authorized service provider**, we will reimburse you only for reasonable charges as determined by us.

No deductible applies to this coverage.

LOSS OF USE COVERAGE

The provisions and exclusions that apply to Part D — Coverage for Damage to Your Auto also apply to this coverage except as changed below:

When there is a loss to any vehicle described in the Declarations for which a specific premium charge indicates that Loss of Use Coverage is afforded, we will reimburse you for expenses you incur to rent a substitute vehicle.

This coverage applies only if:

1. The vehicle is withdrawn from use for more than 24 hours;
2. The loss is caused by **collision**, or is covered by the Comprehensive Coverage of this policy; and
3. The loss exceeds the appropriate **collision** or **comprehensive** deductible applying to the vehicle.

However, this coverage does not apply to losses caused by **collision** if Collision Coverage does not apply to the vehicle.

Our payment will be limited to that period of time reasonably required to repair or replace the vehicle. We will pay up to the amount per day and the maximum shown for Loss of Use in the Declarations.

No deductible applies to this coverage.

FULL SAFETY GLASS COVERAGE

We will pay under Comprehensive Coverage for the cost of repairing or replacing damaged **safety equipment** on **your covered auto** without a deductible. We will pay only if:

1. The Declarations indicates that Comprehensive Coverage applies; and
2. A specific premium charge for Full Safety Glass Coverage is shown in the Declarations for **your covered auto**.

“Safety equipment”, as used in this coverage means the:

1. Glass used in the windshield, doors and windows of **your covered auto**; and
2. Glass, plastic or other material used in the lights of **your covered auto**.



LOUISIANA — PERSONAL AUTO POLICY

GENERAL INSURANCE COMPANY OF AMERICA
 SAFECO INSURANCE COMPANY OF AMERICA
 Home Office: 4333 Brooklyn Ave. N.E., Seattle, Washington 98185

SAFECO INSURANCE COMPANY OF ILLINOIS
 Home Office: 2800 W. Higgins Rd., Suite 1100, Hoffman Estates, Illinois 60195

(Each a stock insurance company.)

READY REFERENCE TO YOUR AUTO POLICY

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Property Damage Uninsured Motorists Coverage

Towing and Labor Costs Coverage

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SA-1852/LAEP 8/06

AGREEMENT

Subject to the payment of all premiums, when due, and in reliance upon the statements in the application, and subject to the terms of this policy, we make the following agreements with you.

DEFINITIONS

- A.** Throughout this policy, "you" and "your" refer to:
1. The "named insured" shown in the Declarations;
 2. The spouse if a resident of the same household;
 3. The civil partner, if a resident of the same household, by civil union licensed and certified by the state; or
 4. The domestic partner, if a resident of the same household;
- "Domestic partner"** means a person living as a continuing partner with you and:
- (a) is at least 18 years of age and competent to contract;
 - (b) is not a relative; and
 - (c) shares with you the responsibility for each other's welfare, evidence of which includes:
 - (1) the sharing in domestic responsibilities for the maintenance of the household; or
 - (2) having joint financial obligations, resources, or assets; or
 - (3) one with whom you have made a declaration of domestic partnership or similar declaration with an employer or government entity.
- Domestic partner** does not include more than one person, a roommate whether sharing expenses equally or not, or one who pays rent to the named insured.
- B.** "We," "us" and "our" refer to the Company providing this insurance.
- C.** For purposes of this policy, a private passenger auto shall be deemed to be owned by a person if leased:
1. Under a written agreement to that person; and
 2. For a continuous period of at least six months.
- D.** Throughout the policy, "**minimum limits**" refers to the following limits of liability required by Louisiana law to be provided under a policy of automobile liability insurance:
1. \$10,000 for each person, subject to \$20,000 for each accident, with respect to **bodily injury**;
 2. \$10,000 for each accident with respect to **property damage**.
- Other words and phrases are defined. They are in bold type when used.
- E.** "**Bodily injury**" means bodily harm, sickness or disease, including death that results.
- F.** "**Business**" includes trade, profession or occupation.
- G.** "**Family member**" means a person related to you by blood, marriage, civil union, domestic partnership or adoption who is a resident of your household. This includes a ward or foster child who is a resident of your household.
- H.** "**Fungi**" means any type or form of fungus, including yeast, mold or mildew, blight or mushroom and any mycotoxins, spore, scents or other substances, products or byproducts produced, released by or arising out of **fungi**, including growth, proliferation or spread of **fungi**, or the current or past presence of **fungi**. However, this definition does not include any **fungi** intended by the **insured** for consumption.
- I.** "**Occupying**" means in; upon; or getting in, on, out or off.
- J.** "**Property damage**" means physical injury or destruction of tangible property including loss of use.
- K.** "**Punitive or exemplary damages**" include damages which are awarded to punish or deter wrongful conduct, to set an example, to fine, penalize or impose a statutory penalty, and damages which are awarded for any purpose other than as compensatory damages for **bodily injury** or **property damage**.
- L.** "**Trailer**" means a vehicle designed to be pulled by a:
1. Private passenger auto; or
 2. Pickup, van or motorhome.
- It also means a recreational camping vehicle, a farm wagon or farm implement while towed by a vehicle listed in L.1. or L.2. above.

M. "Your covered auto" means:

1. Any vehicle shown in the Declarations.
2. **a.** Any of the following types of vehicles on the date you become the owner, subject to the conditions under **M.2.b.** below, whether operational or not:
 - (1) a private passenger auto;
 - (2) a pickup or van that:
 - (a) has a Gross Vehicle Weight Rating of 10,000 lbs. or less; and
 - (b) is not used for the delivery or transportation of goods and materials unless such use is:
 - i. incidental to your **business** of installing, maintaining or repairing furnishings or equipment; or
 - ii. for farming or ranching; or
 - (3) a motorhome or **trailer**.

- b.** The vehicles listed in **M.2.a.** above are subject to the following conditions:

- (1) **Newly Acquired Replacement Vehicle.** If the vehicle you acquire replaces one shown in the Declarations, the replacement vehicle will have the same coverage as the vehicle it replaced. This provision applies only if:

- (a) you acquire the replacement vehicle during the policy period shown on the Declarations; and

- (b) there is no other insurance policy that provides coverage for that replacement vehicle.

- (2) **Newly Acquired Additional Vehicle.** If a newly acquired vehicle is in addition to any shown in the Declarations, that vehicle will have the broadest coverage we now provide for any vehicle shown in the Declarations. This provision applies only if:

- (a) you acquire the additional vehicle during the policy period shown on the Declarations; and

- (b) there is no other insurance policy that provides coverage for the additional vehicle.

- (3) Provisions **M.2.b.(1)** and **(2)** apply only if you ask us to insure a newly acquired vehicle within thirty (30) days after you acquire the replacement or additional vehicle. This thirty (30) days of coverage includes the day you acquire the vehicle.

3. Any auto or **trailer** you do not own while used as a temporary substitute for any other vehicle described in this definition which is out of normal use because of its:

- a.** breakdown;
- b.** repair;
- c.** servicing;
- d.** loss; or
- e.** destruction.

This provision (**M.3.**) does not apply to Coverage for Damage to Your Auto.

PART A — LIABILITY COVERAGE

INSURING AGREEMENT

- A.** We will pay damages for **bodily injury** or **property damage** for which any **insured** becomes legally responsible because of an auto accident. We will settle or defend, as we consider appropriate, any claim or suit asking for these damages. In addition to our limit of liability, we will pay all defense costs we incur. Our duty to settle or defend ends when our limit of liability for this coverage has been exhausted by payments of judgments or settlements.

B. "Insured" as used in this Part means:

1. You or any **family member** for the ownership, maintenance or use of any auto or **trailer**.
2. Any person using **your covered auto** with your express or implied permission. The actual use must be within the scope of that permission.
3. For **your covered auto**, any person or organization but only with respect to legal responsibility for acts or omissions of a

person for whom coverage is afforded under **B.1.** and **B.2.** above.

4. For any auto or **trailer**, other than **your covered auto**, any other person or organization but only with respect to legal responsibility for acts or omissions of you or any **family member** for whom coverage is afforded under this Part. This provision (**B.4.**) applies only if the person or organization does not own or hire the auto or **trailer**.

INTEREST ON JUDGMENTS

We will pay interest on judgments subject to all of the following:

1. Any notice, demand, summons, judgment, or any process has been promptly forwarded to us as required by the policy conditions.
2. We accept the defense or agree to the judgment.
3. We will pay the interest on that part of the judgment that is covered and that does not exceed our applicable limit of liability.
4. We will pay interest that accrues after entry of judgment and before we pay, tender, or deposit in court.
5. If we appeal the judgment, we will pay interest on the entire judgment.
6. Post-judgment interest is in addition to the applicable limit of liability.
7. We will pay prejudgment interest awarded against the **insured** on that part of the judgment we pay. If we make an offer to pay our limit of liability, we will not pay any prejudgment interest based on that period of time after the offer.

SUPPLEMENTARY PAYMENTS

We will pay on behalf of an **insured**:

1. Up to \$250 for the cost of bail bonds required because of an accident, including related traffic law violations. The accident must result in **bodily injury** or **property damage** covered under this policy. We are not obligated to apply for or furnish such bonds.
2. Premiums on appeal bonds and bonds to release attachments in any suit we defend.
3. Up to \$100 a day for loss of earnings, but not other income, because of attendance at hearings or trials at our request.
4. Other reasonable expenses incurred at our request.

EXCLUSIONS

A. We do not provide Liability Coverage for:

1. Any **insured** who intentionally causes **bodily injury** or **property damage** even if such **bodily injury** or **property damage** is of a different kind or degree than expected or intended, or such **bodily injury** or **property damage** is sustained by a different person or persons than expected or intended.
2. **Property damage** to property owned or being transported by any **insured**.
3. **Property damage** to property:
 - a. rented to;
 - b. used by; or
 - c. in the care of;
 any **insured**.

This exclusion (**A.3.**) does not apply to **property damage** to a residence or private garage.

4. **Bodily injury** to an employee of any **insured** during the course of employment. This exclusion (**A.4.**) does not apply to **bodily injury** to a domestic employee unless workers' compensation benefits are required or available for that domestic employee.
5. Any **insured's** liability arising out of the ownership or operation of a vehicle while it is being used as a public or livery conveyance. This exclusion (**A.5.**) does not apply to a share-the-expense car pool.
6. Any **insured** while maintaining or using any vehicle while that **insured** is employed or otherwise engaged in any **business** of delivery including but not limited to the delivery of newspapers or magazines, food or any other products unless such use is incidental to your **business** of installing, maintaining or repairing furnishings or equipment or for farming or ranching.
7. a. Any **insured** while employed or otherwise engaged in the **business** of:
 - (1) selling;
 - (2) repairing;
 - (3) servicing;
 - (4) storing; or
 - (5) parking;
 vehicles designed for use mainly on public highways. This exclusion (**A.7.**) only applies to the extent that the limits of liability required by the

- Louisiana Motor Vehicle Safety Responsibility Law. This includes road testing and delivery.
- b. This exclusion (A.7.) does not apply to the ownership, maintenance or use of **your covered auto** by:
 - (1) you;
 - (2) any **family member**; or
 - (3) any partner, agent or employee of you or any **family member**.
8. Any **insured** maintaining or using any vehicle while that **insured** is employed or otherwise engaged in any **business** (other than farming or ranching) not described in Exclusions A.6. or A.7. This exclusion (A.8.) does not apply to the maintenance or use of a:
- a. private passenger auto;
 - b. pickup, motorhome or van that:
 - (1) you own; or
 - (2) you do not own while used as a temporary substitute for **your covered auto** which is out of normal use because of its:
 - (a) breakdown;
 - (b) repair;
 - (c) servicing;
 - (d) loss; or
 - (e) destruction; or
 - c. **trailer** used with a vehicle described in A.8.a. or A.8.b. above.
9. Any **insured** using a vehicle without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted. However, this exclusion does not apply to a **family member** using **your covered auto**.
10. a. **Bodily injury or property damage** for which any **insured**:
- (1) is an **insured** under a nuclear energy liability policy; or
 - (2) would be an **insured** under a nuclear energy liability policy but for its termination upon exhaustion of its limit of liability.
- b. A nuclear energy liability policy is a policy issued by any of the following or their successors:
- (1) Nuclear Energy Liability Insurance Association;
 - (2) Mutual Atomic Energy Liability Underwriters; or
 - (3) Nuclear Insurance Association of Canada.
11. **Punitive or exemplary damages** awarded against any **insured**.
12. **Bodily injury or property damage** arising out of the use of **your covered auto** while leased or rented to others. However, this exclusion does not apply to the operation of **your covered auto** by you or a **family member**.
- B. We do not provide Liability Coverage for the ownership, maintenance or use of:
1. a. Any vehicle which:
 - (1) has fewer than four wheels;
 - (2) is designed mainly for use off public roads; or
 - (3) is a vehicle not licensed for use on public roads.
 - b. This exclusion does not apply:
 - (1) while such vehicle is being used by an **insured** in a medical emergency; or
 - (2) to any **trailer**.
 2. Any vehicle, other than **your covered auto**, which is:
 - a. owned by you; or
 - b. furnished or available for your regular use.
 3. a. Any vehicle, other than **your covered auto**, which is:
 - (1) owned by any **family member** or other person who resides with you; or
 - (2) furnished or available for the regular use of any **family member** or other person who resides with you.
 - b. However, this exclusion (B.3.) does not apply to you while you are maintaining or **occupying** any vehicle which is:
 - (1) owned by a **family member** or other person who resides with you; or
 - (2) furnished or available for the regular use of a **family member** or other person who resides with you.

4. Any vehicle while it is:

- a. operating on a surface designed or used for racing, except for an organized and controlled event that is not a speed, performance, stunt or demolition event;
- b. participating in a high performance driving or racing instruction course or school; or
- c. preparing for, practicing for, used in, or competing in any spontaneous, prearranged, or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.

LIMIT OF LIABILITY**A.** If the Declarations indicates "per person"/"per accident" coverage applies:

The limit of liability as shown in the Declarations for "each person" for Bodily Injury Liability is our maximum limit of liability for all damages, including damages for care and loss of services (including loss of consortium and wrongful death), arising out of **bodily injury** sustained by any one person in any one auto accident.

Subject to this limit for "each person," the limit of liability shown in the Declarations for "each accident" for Bodily Injury Liability is our maximum limit of liability for all damages for **bodily injury** resulting from any one auto accident.

The limit of liability shown in the Declarations for each accident for Property Damage Liability is our maximum limit of liability for all **property damage** resulting from any one accident.

This is the most we will pay regardless of the number of:

- 1. **Insureds;**
- 2. Claims made;
- 3. Vehicles or premiums shown in the Declarations; or
- 4. Vehicles involved in the auto accident.

B. If the Declarations indicate **Combined Single Limit** applies, Paragraph **A.** above is replaced by the following:

The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for all damages resulting from any one auto accident. This is the most we will pay regardless of the number of:

- 1. **Insureds;**

2. Claims made;

3. Vehicles or premiums shown in the Declarations; or

4. Vehicles involved in the auto accident.

We will apply the limit of liability to provide any separate **minimum limits** required by law for **bodily injury** and **property damage** liability. However, this provision will not change our total limit of liability.

C. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part **B** or Part **C** of this policy.**OUT OF STATE COVERAGE**

If an auto accident to which this policy applies occurs in any state or province other than the one in which **your covered auto** is principally garaged, we will interpret your policy for that accident as follows:

A. If the state or province has:

- 1. A financial responsibility or similar law specifying limits of liability for **bodily injury** or **property damage** higher than the limit shown in the Declarations, your policy will provide the higher specified limit.
- 2. A compulsory insurance or similar law requiring a nonresident to maintain insurance whenever the nonresident uses a vehicle in that state or province, your policy will provide at least the required **minimum limits** and types of coverage.

B. No one will be entitled to duplicate payments for the same elements of loss.**FINANCIAL RESPONSIBILITY**

When this policy is certified as future proof of financial responsibility, this policy shall comply with the law to the extent required.

OTHER INSURANCE**A.** If there is other applicable liability insurance available any insurance we provide shall be excess over any other applicable liability insurance. If more than one policy applies on an excess basis, we will bear our proportionate share with other collectible liability insurance.**B.** We will provide primary insurance for a vehicle you do not own if a person engaged in the business of selling, repairing, or servicing motor vehicles provides a loaner vehicle to you or a **family member**:

- 1. For temporary use while **your covered auto** is being serviced or repaired; or
- 2. To demonstrate or test drive the vehicle.

- C. If the vehicle you do not own is a rental private passenger automobile, the following priorities of recovery apply:

FIRST PRIORITY Any source of recovery purchased by you or any **family member** from the owner of the rental private passenger automobile.

SECOND PRIORITY Any policy affording Liability Coverage to the **insured** as a named insured or **family member**.

THIRD PRIORITY Any policy affording Liability Coverage to the owner of the rental private passenger automobile.

PART B — MEDICAL PAYMENTS COVERAGE

INSURING AGREEMENT

- A. We will pay **usual and customary charges** incurred for reasonable and necessary medical and funeral expenses because of **bodily injury**:

1. Caused by accident; and
2. Sustained by an **insured**.

We will pay only those expenses incurred for services rendered within three (3) years from the date of the accident. However, if the **bodily injury** is diagnosed within 1 year of the date of the accident and reported to us within 3 years of the date of the accident, we will not limit the time period in which we will pay reasonable expenses incurred for necessary medical and funeral services resulting from such **bodily injury**.

We have a right to review medical expenses and services to determine if they are reasonable and necessary for the **bodily injury** sustained.

- B. “**Insured**” as used in this Part means:

1. You or any **family member**:
 - a. while **occupying**; or
 - b. as a pedestrian, including bicycling, when struck by;

a motor vehicle designed for use mainly on public roads or a **trailer** of any type.
2. Any other person while **occupying your covered auto** with your express or implied permission. The actual use must be within the scope of that permission.
3. Any other person while **occupying**, as a guest, an automobile not owned by you or a **family member**, while being operated by you or a **family member**.

- C. “**Usual and customary charges**” as used in this Part mean:

Any amount which we determine represents a customary charge for services in the geographic

area in which the service is rendered. To determine whether a charge is customary, we may consider outside sources of information of our choice, including, but not limited to:

1. Licensed, certified or registered health care professionals;
2. Medical examinations;
3. Medical file reviews;
4. Medical bill review services; or
5. Computerized data bases.

The **insured** shall not be responsible for payment of any reduction applied by us. If a medical provider disputes an amount paid by us, we will be responsible for resolving such disputes.

EXCLUSIONS

We do not provide Medical Payments Coverage for any **insured** for **bodily injury**:

1. Sustained while **occupying** any motorized vehicle having fewer than four wheels.
2. Sustained while **occupying your covered auto** when it is being used as a public or livery conveyance. This exclusion (2.) does not apply to a share-the-expense car pool.
3. Sustained while **occupying your covered auto** when it is being used in any **business** of delivery, including but not limited to delivery of newspapers or magazines, food, or any other products unless such use is incidental to your **business** of installing, maintaining or repairing furnishings or equipment or for farming or ranching.
4. Sustained while **occupying** any vehicle located for use as a residence or premises.
5. Occurring during the course of employment if workers' compensation benefits are required or available for the **bodily injury**.

6. Sustained while **occupying**, or when struck by, any vehicle (other than **your covered auto**) which is:

- a. owned by you; or
- b. furnished or available for your regular use.

7. Sustained while **occupying**, or when struck by, any vehicle (other than **your covered auto**) which is:

- a. owned by any **family member** or other person who resides with you; or
- b. furnished or available for the regular use of any **family member** or other person who resides with you.

However, this exclusion (7.) does not apply to you.

8. Sustained while **occupying** a vehicle without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted. However this exclusion does not apply to a **family member** using **your covered auto**.

9. Sustained while **occupying** a vehicle when it is being used in the **business** of an **insured**. This exclusion (9.) does not apply to **bodily injury** sustained while **occupying** a:

- a. private passenger auto;
- b. pickup, van or motorhome that you own; or
- c. **trailer** used with a vehicle described in a. or b. above.

10. Caused by or as a consequence of:

- a. discharge of a nuclear weapon (even if accidental);
- b. war (declared or undeclared);
- c. civil war;
- d. insurrection; or
- e. rebellion or revolution.

11. From or as a consequence of the following, whether controlled or uncontrolled or however caused:

- a. nuclear reaction;

b. radiation; or

c. radioactive contamination.

12. Sustained while **occupying** any vehicle while it is:

a. operating on a surface designed or used for racing except for an organized and controlled event that is not a speed, performance, stunt or demolition event;

b. participating in a high performance driving or racing instruction course or school; or

c. preparing for, practicing for, used in, or competing in any spontaneous, prearranged, or organized:

(1) race activity; or

(2) speed, performance, stunt, or demolition contest or exhibition.

13. Caused by the actual, alleged or threatened presence, growth, proliferation or spread of **fungi** or bacteria.

LIMIT OF LIABILITY

A. The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for each person injured in any one accident. This is the most we will pay regardless of the number of:

1. **Insureds**;

2. Claims made;

3. Vehicles or premiums shown in the Declarations; or

4. Vehicles involved in the accident.

B. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part A or Part C of this policy.

OTHER INSURANCE

If there is other applicable auto medical payments insurance available any insurance we provide shall be excess over any other applicable auto medical payments insurance. If more than one policy applies on an excess basis, we will bear our proportionate share with other collectible auto medical payments insurance.

PART C — UNINSURED MOTORISTS COVERAGE

INSURING AGREEMENT

- A. We will pay damages which an **insured** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** because of **bodily injury**:

1. Sustained by an **insured**; and
2. Caused by an accident.

The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the **uninsured motor vehicle**.

We will pay damages under this coverage only after the submission of claims exceeds our limits of liability under any applicable bodily injury liability bonds or policies.

- B. "**Insured**" as used in this Part means:

1. You or any **family member**.
2. Any other person **occupying your covered auto** with your express or implied permission. The actual use must be within the scope of that permission.
3. Any person entitled to recover damages because of **bodily injury** to which this coverage applies sustained by a person described in **B.1.** or **B.2.** above.

- C. "**Uninsured motor vehicle**" means a land motor vehicle or **trailer** of any type:

1. To which no bodily injury liability bond or policy applies at the time of the accident.
2. To which a bodily injury liability bond or policy applies at the time of the accident but the amount paid for **bodily injury** under that bond or policy to an **insured** is not enough to pay the full amount the **insured** is legally entitled to recover as damages.
3. Which is a hit-and-run vehicle whose operator or owner cannot be identified and which hits or which causes an accident resulting in **bodily injury** without hitting:
 - a. you or any **family member**;
 - b. a vehicle which you or any **family member** are **occupying**; or
 - c. **your covered auto**.

If there is no physical contact with the hit-and-run vehicle the **insured** must show, by an independent and disinterested witness, that the **bodily injury** was the result of the actions of an unidentified motorist.

4. To which a bodily injury liability bond or policy applies at the time of the accident, but the bonding or insuring company:

- a. denies coverage; or
- b. is or becomes insolvent.

However, "**uninsured motor vehicle**" does not include any vehicle or equipment:

1. Owned by or furnished or available for the regular use of you or any **family member**.
2. Owned by any governmental unit or agency.
3. Operated on rails or crawler treads.
4. Designed mainly for use off public roads while not on public roads.
5. While located for use as a residence or premises.

SUPPLEMENTARY PAYMENTS

In addition to our limit of liability we will pay to an **insured** prejudgment interest awarded by a court to the **insured** on that part of a judgment we pay.

EXCLUSIONS

- A. We do not provide Uninsured Motorists Coverage for **bodily injury** sustained by any **insured**:

1. While **occupying**, or when struck by, any vehicle owned by that **insured** which is not insured for this coverage under this policy. This includes a **trailer** of any type used with that vehicle.
2. While **occupying your covered auto** when it is being used as a public or livery conveyance. This exclusion (**A.2.**) does not apply to a share-the-expense car pool.
3. While maintaining or using any vehicle while that **insured** is employed or otherwise engaged in any **business** of delivery, including but not limited to delivery of newspapers or magazines, food, or any other products unless such use is incidental to your **business** of installing, maintaining or repairing furnishings or equipment or for farming or ranching.
4. While using a vehicle without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted. However, this exclusion does not apply to you or any **family member** using **your covered auto**.

5. While **occupying** or operating an owned motorcycle or moped.
6. While using any vehicle while it is:
 - a. operating on a surface designed or used for racing except for an organized and controlled event that is not a speed, performance, stunt or demolition event;
 - b. participating in a high performance driving or racing instruction course or school; or
 - c. preparing for, practicing for, used in, or competing in any spontaneous, prearranged, or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.
- B. This coverage shall not apply directly or indirectly to benefit any insurer or self-insurer under any of the following or similar law:
 1. Workers' compensation law; or
 2. Disability benefits law.
- C. We do not provide Uninsured Motorists Coverage for **punitive or exemplary damages**.

LIMIT OF LIABILITY

- A. The limit of liability shown in the Declarations for "each person" for Uninsured Motorists Coverage is our maximum limit of liability for all damages, including damages for care and loss of services (including loss of consortium and wrongful death), arising out of **bodily injury** sustained by any one person in any one auto accident.

Subject to this limit for "each person", the limit of liability shown in the Declarations for "each accident" for Uninsured Motorists Coverage is our maximum limit of liability for all damages for **bodily injury** resulting from any one auto accident.

This is the most we will pay regardless of the number of:

1. **Insureds**;
 2. Claims made;
 3. Vehicles or premiums shown in the Declarations; or
 4. Vehicles involved in the accident.
- B. If the Declarations indicate Combined Single Limit Coverage applies, paragraph (A.) above is replaced by the following:

The limit of liability shown in the Declarations for Uninsured Motorists Coverage is our maximum limit of liability for all damages resulting from any

one auto accident. This is the most we will pay regardless of the number of:

1. **Insureds**;
 2. Claims made;
 3. Vehicles or premiums shown in the Declarations; or
 4. Vehicles involved in the auto accident.
- C. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part A or Part B of this policy.
 - D. We will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.
 - E. We will not pay for any element of loss if a person is entitled to receive payment for the same element of loss under any of the following or similar law:
 1. Workers' compensation law; or
 2. Disability benefits or occupational disease laws.

OTHER INSURANCE

If there is other applicable insurance available under one or more policies or provisions of coverage that is similar to the insurance provided under this Part of the policy:

- A. With respect to **bodily injury** sustained by an **insured**:
 1. While **occupying** a vehicle owned by that person or while not **occupying** any vehicle, any recovery for damages sustained by an **insured** as a named insured or **family member** may equal but not exceed the highest applicable limit for any one vehicle under this insurance or any other insurance.
 2. While **occupying** a vehicle not owned by that person, the following priorities of recovery will apply:
 - a. The Uninsured Motorists Coverage applicable to the vehicle the **insured** was **occupying** at the time of the accident will be primary.
 - b. If the primary insurance is exhausted, any excess recovery for damages sustained by an **insured** as a named insured or **family member** may equal but not exceed the highest applicable limit for any one vehicle under this insurance or any other insurance. In no instance will more than one limit be available as excess insurance.

- B. We will pay only our share of loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits.
- C. If part 2. of the definition of **uninsured motor vehicle** applies, this insurance shall apply as excess insurance over such liability bond or policy, up to the amount the **insured** is legally entitled to recover for damages because of **bodily injury** caused by the accident subject to the limits specified for this insurance.

ARBITRATION

- A. If we and an **insured** do not agree:
 - 1. Whether that **insured** is legally entitled to recover damages; or
 - 2. As to the amount of damages which are recoverable by that **insured**;
 from the owner or operator of an **uninsured motor vehicle** or **underinsured motor vehicle**

then the matter may be arbitrated. However, disputes concerning coverage under this Part may not be arbitrated.

Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.

- B. Each party will:
 - 1. Pay the expenses it incurs; and
 - 2. Bear the expenses of the third arbitrator equally.
- C. Unless both parties agree otherwise, arbitration will take place in the county in which the **insured** lives. Local rules of law as to procedure and evidence will apply. A decision agreed to by two of the arbitrators will not be binding.

PART D — COVERAGE FOR DAMAGE TO YOUR AUTO

INSURING AGREEMENT

- A. We will pay for direct and accidental loss to **your covered auto** or any **non-owned auto**, including its equipment, any child safety seat in use in **your covered auto** or **non-owned auto**, minus any applicable deductible shown in the Declarations. We will pay for loss to **your covered auto** caused by:
 - 1. Other than **collision** only if the Declarations indicate that Comprehensive Coverage is provided for that auto.
 - 2. **Collision** only if the Declarations indicate that Collision Coverage is provided for that auto.

If there is a loss to a **non-owned auto**, we will provide the broadest coverage applicable to any vehicle shown in the Declarations.

Deductible

Unless stated otherwise, the applicable deductible shown in the Declarations shall be applied to each accidental loss covered under this Part of the policy. If loss to more than one of **your covered autos** or a **non-owned auto** results from the same loss, only the highest applicable deductible will apply.

- B. "**Collision**" means the upset of **your covered auto** or a **non-owned auto** or its impact with another vehicle or object. No deductible will apply if the **collision** is with another auto insured by a Safeco insurance company.

"**Comprehensive**" means loss, other than **collision**, to **your covered auto** or a **non-owned**

auto. Losses caused by the following are not **collision** losses but are **comprehensive** losses:

Loss caused by missiles or falling objects; fire; theft or larceny; explosion or earthquake; windstorm; hail, water or flood; malicious mischief or vandalism; riot or civil commotion; contact with a bird or animal; or breakage of glass.

If breakage of glass is caused by a **collision**, you may elect to have it considered a loss caused by **collision**.

- C. 1. "**Non-owned auto**" means:
 - a. Any private passenger auto, pickup, van or **trailer** with a Gross Vehicle Weight Rating of 12,000 pounds or less not owned by or furnished or available for the regular use of you or any **family member** while in the custody of or being operated by you or any **family member**; or
 - b. Any auto or **trailer** you do not own while used as a temporary substitute for **your covered auto** which is out of normal use because of its:
 - (1) breakdown;
 - (2) repair;
 - (3) servicing;
 - (4) loss; or
 - (5) destruction.
- 2. "**Non-owned auto**" does not include any vehicle which has been operated or rented

by or in the possession of an **insured** for 30 or more consecutive days.

- D. "**Camper body**" means a body equipped with sleeping or living quarters which is designed to be mounted on a pickup.
- E. "**Diminution in value**" means the actual or perceived loss in market or resale value which results from a direct and accidental loss.

TRANSPORTATION EXPENSES

- A. In addition we will pay, without application of a deductible, either of the following, whichever is greater:
 - 1. Up to \$25 per day, to a maximum of \$750; or
 - 2. The limit for Loss of Use, if any, shown in the Declarations.
- B. For:
 - 1. Temporary transportation expenses incurred by you in the event of the total theft of **your covered auto**. We will pay for such expenses only if the Declarations indicate that Comprehensive Coverage is provided for that auto.
 - 2. Indirect loss expenses for which you become legally responsible in the event of a loss to a **non-owned auto**. We will pay for indirect loss expenses if the loss is caused by:
 - a. a **comprehensive** loss only if the Declarations indicate that Comprehensive Coverage is provided for any **your covered auto**.
 - b. **collision** only if the Declarations indicate that Collision Coverage is provided for any **your covered auto**.
- C. If the loss is caused by a total theft of **your covered auto** or a **non-owned auto**, we will pay only expenses incurred during the period:
 - 1. Beginning 48 hours after the theft; and
 - 2. Ending when **your covered auto** or the **non-owned auto** is returned to use or we pay for its loss.
- D. If the loss is caused by other than a total theft of a **non-owned auto**, we will pay only expenses beginning when the auto is withdrawn from use for more than 24 hours.
- E. Our payment will be limited to that period of time reasonably required to repair or replace **your covered auto** or the **non-owned auto**.

EXCLUSIONS

We will not pay for:

- 1. Loss to **your covered auto** or any **non-owned auto** which occurs while it is

being used as a public or livery conveyance. This exclusion (1.) does not apply to a share-the-expense car pool.

- 2. Loss to any **non-owned auto** being maintained or used by any **insured** while that **insured** is employed or otherwise engaged in any **business** of delivery, including but not limited to delivery of newspapers or magazines, food, or any other products unless such use is incidental to your **business** of installing, maintaining or repairing furnishings or equipment or for farming or ranching.
- 3. Damage or loss due and confined to:
 - a. wear and tear;
 - b. freezing;
 - c. mechanical or electrical breakdown or failure; or
 - d. road damage to tires.

This exclusion (3.) does not apply if the damage results from the total theft of **your covered auto** or any **non-owned auto**.

- 4. Damage or loss arising out of neglect. Neglect means your failure to adequately maintain **your covered auto** or **non-owned auto** after the loss.

With respect to water under Comprehensive Coverage, there is no coverage for:

- a. moisture, condensation, humidity, or vapor;
- b. water intrusion around or through panels, surfaces and seals; or
- c. water that collects in spaces or ventilation systems; or
- d. fungi, dry rot or bacteria; resulting from neglect.

- 5. Loss due to or as a consequence of:
 - a. discharge of any nuclear weapon (even if accidental);
 - b. war (declared or undeclared);
 - c. civil war;
 - d. insurrection; or
 - e. rebellion or revolution.
- 6. Loss from or as a consequence of the following, whether controlled or uncontrolled or however caused:
 - a. nuclear reaction;
 - b. radiation; or
 - c. radioactive contamination.

7. Loss to:

- a. any electronic equipment designed for the production or reproduction of sound, pictures, audio, visual or data or that receives or transmits sound, pictures or data signals.

b. This exclusion (7.) does not apply to:

- (1) equipment designed for the reproduction of sound or transmission of sound, pictures, audio, visual or data signals and accessories used with such equipment, provided:

- (a) the electronic equipment is permanently installed by the original vehicle manufacturer or manufacturer's dealership in **your covered auto** or any **non-owned auto**; or

(b) the electronic equipment is:

- i. removable from a housing unit which is permanently installed by the original vehicle manufacturer or manufacturer's dealership in the auto;
- ii. designed to be solely operated by use of the power from the auto's electrical system; and
- iii. in or upon **your covered auto** or any **non-owned auto**;

at the time of loss.

However, we will pay only up to \$1,000 or the actual cash value of **your covered auto** or any **non-owned auto**, whichever is less, for such equipment that is not installed by the original vehicle manufacturer or manufacturer's dealership.

(2) any other electronic equipment that is:

- (a) necessary for the normal operation of the auto or the monitoring of the auto's operating systems;
- (b) an integral part of the same unit housing any electronic equipment described in 7.a. and permanently installed by the original vehicle

manufacturer or manufacturer's dealership in **your covered auto** or any **non-owned auto**.

8. Loss to:

- a. tapes, records, discs, or other media used with such equipment described in exclusion (7.); or
- b. any other accessories, not permanently installed used with such equipment described in exclusion (7.).

9. Loss to **your covered auto** or any **non-owned auto** due to destruction or confiscation by governmental or civil authorities because you or any **family member**:

- a. engaged in illegal activities; or
- b. failed to comply with Environmental Protection Agency or Department of Transportation standards.

This exclusion (9.) does not apply to the interests of Loss Payees in **your covered auto**.

10. Loss to a **camper body**, motorhome or **trailer** you own which is not shown in the Declarations. This exclusion (10.) does not apply to a **camper body**, motorhome or **trailer** you:

- a. acquire during the policy period; and
- b. ask us to insure within 30 days after you become the owner.

11. Loss to any **non-owned auto** when used by you or any **family member** without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted.

12. Loss to equipment, whether operational or not, whose design may be used for the detection or location of law enforcement equipment.

13. Loss to any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in the **business** of:

- a. selling;
- b. repairing;
- c. servicing;
- d. storing; or
- e. parking;

vehicles designed for use on public highways. This includes road testing and delivery.

14. Loss to any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in any **business** not described in exclusion 2. and 13. This exclusion (14.) does not apply to the maintenance or use by you or any **family member** of a **non-owned auto** which is a private passenger auto or **trailer**.
15. Loss to **your covered auto** or any **non-owned auto** while it is:
 - a. operating on a surface designed or used for racing. This does not apply to an organized and controlled event that is not a speed, performance, stunt or demolition event;
 - b. participating in a high performance driving or racing instruction course or school; or
 - c. preparing for, practicing for, used in, or competing in any spontaneous, prearranged, or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.
16. Loss to, or loss of use of, a **non-owned auto** rented by:
 - a. you; or
 - b. any **family member**;

if a rental vehicle company is precluded from recovering such loss or loss of use, from you or that **family member**, pursuant to the provisions of any applicable rental agreement or state law.
17. Loss to **your covered auto** or any **non-owned auto**, arising out of the actual, alleged or threatened presence, growth, proliferation or spread of **fungi**, dry rot or bacteria.
18. Loss to **your covered auto**, **non-owned auto**, or **trailer**, for **diminution in value**.
19. Loss in excess of \$1,000 per claim or the actual cash value of **your covered auto** or any **non-owned auto**, whichever is less, for any furnishings or equipment that were not installed by the original vehicle manufacturer or manufacturer's dealership which mechanically or structurally changes your vehicle and results in increase in performance or change in appearance, including but not limited to:

- a. custom murals, paintings or other decals or graphics;
- b. custom wheels, tachometers, pressure and temperature gauges;
- c. modified or custom engines and fuel systems, light bars, racing slicks and/or oversized tires, roll bars and lift kits, winches, utility boxes, and tool boxes; or
- d. non-standard paint.

This exclusion does not apply to equipment installed to make a vehicle handicap accessible.

20. Loss arising out of the use of **your covered auto** while leased or rented to others.

LIMIT OF LIABILITY

- A. At our option, our limit of liability for loss will be the lowest of:
 1. The actual cash value of the stolen or damaged property;
 2.
 - a. The amount necessary to repair or replace the property;
 - b. Determination of the cost of repair or replacement will be based upon one of the following:
 - (1) the cost of repair or replacement agreed upon by you and us;
 - (2) a competitive bid approved by us; or
 - (3) an estimate written based upon the prevailing competitive price. You agree with us that we may include in the estimate parts furnished by the original vehicle manufacturer or parts from other sources including non-original equipment manufacturers. The prevailing competitive price means prices charged by a majority of the repair market in the area where the vehicle is to be repaired as determined by us; or
 3. The limit of liability shown in the Declarations.

However, the most we will pay for loss to any **non-owned auto**, which is a **trailer**, is \$1,500.

- B. An adjustment for depreciation and physical condition may be made based upon the physical condition and wear and tear of the property or damaged part of the property at the time of the loss. This adjustment for physical condition includes but is not limited to, broken, cracked

or missing parts, rust, dents, scrapes, gouges and paint condition. When replacing parts normally subject to repair or replacement during the useful life of the vehicle, we will not pay for the amount of any betterment.

PAYMENT OF LOSS

We may pay for loss in money or repair or replace the damaged or stolen property. We may, at our expense, return any stolen property to:

1. You; or
2. The address shown in this policy.

If we return stolen property we will pay for any damage resulting from the theft. We may keep all or part of the property at an agreed or appraised value.

If we pay for loss in money, our payment will include the applicable sales tax for the damaged or stolen property.

NO BENEFIT TO BAILEE

This insurance shall not directly or indirectly benefit any carrier or other bailee for hire.

OTHER SOURCES OF RECOVERY

- A. If other sources of recovery also cover the loss, we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, except as provided in (B.) below, any insurance we provide with respect to a **non-owned auto** shall be excess over any other collectible source of recovery including, but not limited to:
 1. Any coverage provided by the owner of the **non-owned auto**;
 2. Any other applicable physical damage insurance;
 3. Any other source of recovery applicable to the loss.

- B. We will provide primary insurance for a **non-owned auto** if a person engaged in the **business** of selling, repairing, or servicing motor vehicles provides the **non-owned auto** as a loaner vehicle to you or any **family member**:

1. For temporary use while **your covered auto** is being serviced or repaired; or
2. To demonstrate or test drive the vehicle.

- C. If the **non-owned auto** is a rental private passenger automobile, the following priorities of recovery apply:

FIRST PRIORITY Any source of recovery purchased by you or any **family member** from the owner of the rental private passenger automobile.

SECOND PRIORITY Any source of recovery applicable to the **insured** as a named insured or **family member**.

THIRD PRIORITY Any source of recovery applicable to the owner of the rental private passenger automobile.

APPRAISAL

- A. If we and you do not agree on the amount of loss, then an appraisal of the loss may be made. However, both parties must agree to the appraisal. If so agreed, each party will select a competent appraiser. The two appraisers will select an umpire. The appraisers will state separately the actual cash value and the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will not be binding. Each party will:
 1. Pay its chosen appraiser; and
 2. Bear the expenses of the appraisal and umpire equally.
- B. We do not waive any of our rights under this policy by agreeing to an appraisal.

PART E — DUTIES AFTER AN ACCIDENT OR LOSS

We may reduce coverage under this policy by the amount that your action or inaction of the following duties has caused us an additional loss:

- A. We must be notified promptly of how, when and where the accident or loss happened. Notice should also include the names and addresses of any injured persons and of any witnesses.
- B. A person seeking any coverage must:
 1. Cooperate with us in the investigation, settlement or defense of any claim or suit.
 2. Promptly send us copies of any notices or legal papers received in connection with the accident or loss.

3. Submit, as often as we reasonably require:
 - a. to physical examinations by physicians we select. We will pay for these exams.
 - b. to examination under oath and subscribe the same. We may examine any **insured** separately and apart from the presence of any other **insured**.
4. Authorize us to obtain:
 - a. medical reports; and
 - b. other pertinent records.

- 5. Submit a proof of loss, under oath if requested, when required by us.
- C. A person seeking Uninsured/Underinsured Motorists Coverage must also:
 - 1. Report the accident to the police or other civil authority within twenty-four (24) hours or as soon as practicable if a hit-and-run driver is involved.
 - 2. Promptly send us copies of the legal papers if a suit is brought.
- D. A person seeking Coverage for Damage to Your Auto must also:
 - 1. Take reasonable steps after loss to protect **your covered auto** or any **non-owned auto** and its equipment from further loss. We will pay reasonable expenses incurred to do this.
 - 2. Promptly notify the police if **your covered auto** or any **non-owned auto** is stolen.
 - 3. Permit us to inspect and appraise the damaged property before its repair or disposal.

PART F — GENERAL PROVISIONS

POLICY PERIOD AND TERRITORY

- A. This policy applies only to accidents and losses which occur:
 - 1. During the policy period as shown in the Declarations; and
 - 2. Within the policy territory.
- B. The policy period is the period stated in the Declarations. The policy may be renewed for successive policy periods if the required premium is paid and accepted by us on or before the expiration of the current policy period. The premium will be computed at our then current rate for coverage then offered.
- C. The policy territory is:
 - 1. The United States of America, its territories or possessions;
 - 2. Puerto Rico; or
 - 3. Canada.

This policy also applies to loss to, or accidents involving, **your covered auto** while being transported between their ports.

BANKRUPTCY

Bankruptcy or insolvency of the **insured** shall not relieve us of any obligations under this policy.

CHANGES

- A. At least 30 days before the end of any policy period, we may offer to change the coverage provided in this policy. Your payment of the premium billed by us for the next policy period will be your acceptance of our offer.
- B. This policy, your Declarations page and endorsements issued by us to this policy contain all the agreements between you and us. Its terms may not be changed or waived except by endorsement issued by us.

- C. The premium for each vehicle is based on information we have received from you or other sources. You agree to cooperate with us in determining if this information is correct and complete and you will notify us if it changes. If this information is incorrect, incomplete, or changes, we may adjust your premium or take other appropriate action based upon the corrected, completed or changed information. Changes during the policy term that may result in a premium increase or decrease include, but are not limited to, changes in:
 - 1. The number, type or use classification of insured vehicles.
 - 2. Operators using insured vehicles including newly licensed **family member** drivers. Any household members that have licenses must be disclosed to us.
 - 3. The location where your vehicle is principally garaged.
 - 4. The persons who regularly drive insured vehicles, including newly licensed **family members**.
 - 5. Customized equipment or parts.
- D. If we make a change which broadens coverage under this edition of your policy without additional premium charge, that change will automatically apply to your policy as of the date we implement the change in your state. This paragraph (D.) does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:
 - 1. A subsequent edition of your policy; or
 - 2. An Amendatory Endorsement.
- E. Additional or return premium of \$3.00 or less resulting from policy changes will be waived.

PAYMENT OF PREMIUM

If your initial premium payment is by check, draft or any remittance other than cash, coverage under this policy is conditioned upon the check, draft or remittance being honored upon presentment to the bank or other financial institution. If the check, draft or remittance is not honored upon presentment, this policy may, at our option, be deemed void from its inception. This means that we will not be liable under this policy for any claims or damages which would otherwise be covered if the check, draft, or remittance had been honored upon presentment.

FRAUD

This policy was issued in reliance upon the information provided on your application. We may void coverage under this policy if you or an **insured** have concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct, with the intent to deceive, at the time application was made or any time during the policy period.

We may void this policy or deny coverage for an accident or loss if you or an **insured** have concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct, with the intent to deceive, in connection with the presentation or settlement of a claim.

We may void this policy or deny coverage for fraud or material misrepresentation even after the occurrence of an accident or loss. This means we will not be liable for any claims or damages which would otherwise be covered. If we make a payment, we may request that you reimburse us. If so requested, you must reimburse us for any payments we may have already made.

LEGAL ACTION AGAINST US

A person or organization may bring a suit against us including, but not limited to, a suit to recover an agreed settlement or on a final judgment against an **insured**; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the **insured** and the claimant or the claimant's legal representative.

OUR RIGHT TO RECOVER PAYMENT

A. If we make a payment under this policy and the person to or for whom payment was made has a right to recover damages from another person, entity or organization we shall be subrogated to that right. That person shall:

1. Do whatever is necessary to enable us to exercise our rights; and
2. Do nothing after loss to prejudice them.

However, our rights in this paragraph (A.) do not apply under Part D, against any person using **your covered auto** with your express or implied

permission or other person having lawful possession and is not using a vehicle beyond the scope of the permission granted.

- B. This provision does not apply to damages an **insured** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** as defined in part 2. of the definition of **uninsured motor vehicle** under Uninsured Motorists Coverage.

Except with respect to coverage under part 2. of the definition of **uninsured motor vehicle** under Uninsured Motorists Coverage, we shall be entitled to a recovery only after the person has been fully compensated for damages.

TERMINATION

A. **Cancellation.** This policy may be canceled during the policy period as follows:

1. The named insured shown in the Declarations may cancel by:
 - a. returning this policy to us; or
 - b. giving us advance written or verbal notice of the date cancellation is to take effect. We may waive the requirement the notice be in writing by confirming the date and time of cancellation to you in writing.
2. We may cancel by mailing by certified mail, except if cancellation is due to non-payment of premium, to the named insured shown in the Declarations at the address shown in this policy:
 - a. at least 10 days notice if cancellation is for nonpayment of premium;
 - b. at least 20 days notice if this policy has been in effect less than 60 days at the time notice of cancellation is mailed and this is not a renewal policy; or
 - c. at least 30 days notice in all other cases.
3. After this policy is in effect for 60 days, or if this is a renewal policy, we will cancel only:
 - a. for nonpayment of premium; or
 - b. if your driver's license or that of:
 - (1) any driver who lives with you; or
 - (2) any driver who customarily uses **your covered auto**;
 has been suspended or revoked and must have occurred:
 - (1) During the policy period if this is not a renewal or continuation policy; or

(2) If this is a renewal or continuation policy, during the policy period or the 180 days immediately preceding this policy's effective date.

- c. in the event of fraud or material misrepresentation in presentation of a claim.
- d. if we did not receive an application for insurance in which a valid binder has been issued.

B. Nonrenewal. If we decide not to renew this policy, we will mail notice to the named insured shown in the Declarations at the address shown in this policy. Notice will be mailed at least 30 days before the end of the policy period. Upon written request of the named insured, we will provide to the **insured** in writing the reasons for nonrenewal of the policy.

C. Automatic Termination. If we offer to renew and you or your representative do not accept, this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal premium when due shall mean that you have not accepted our offer.

If you obtain other insurance on **your covered auto**, any similar insurance provided by this policy will terminate as to that auto on the effective date of the other insurance.

D. Other Termination Provisions.

1. If the law in Louisiana at the time this policy is issued or renewed:
 - a. requires a longer notice period;
 - b. requires a special form of or procedure for giving notice; or
 - c. modifies any of the stated termination reasons;
 we will comply with those requirements.
2. We may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.
3. If this policy is canceled, you may be entitled to a premium refund. If so, we will send you the refund. If you cancel the policy we will send you the refund within 30 days after the effective date of cancellation. The premium refund, if any, will be computed on a pro rata basis. However, making or offering to make the refund is not a condition of cancellation.
4. The effective date of cancellation stated in the notice shall become the end of the policy period.

5. In the event that an agent, broker or insurance solicitor incorrectly states the premium amount for the automobile liability policy, the **insured** may cancel the policy and shall be returned the initial payment of premium, including fees and costs, less the prorated cost for the period of time of coverage at the initial stated premium, including fees and costs, and may cancel the insurance coverage, without penalty or loss of coverage, for the period of time that the premium, including fees and costs, was paid.

TRANSFER OF YOUR INTEREST IN THIS POLICY

A. Your rights and duties under this policy may not be assigned without our written consent. However, if a named insured shown in the Declarations dies, coverage will be provided for:

1. The surviving spouse, civil partner or domestic partner if resident in the same household at the time of death. Coverage applies to the spouse, civil partner or domestic partner as if a named insured shown in the Declarations; and
2. The legal representative of the deceased person as if a named insured shown in the Declarations. This applies only with respect to the representative's legal responsibility to maintain or use **your covered auto**.

B. Coverage will only be provided until the end of the policy period.

TWO OR MORE AUTOS INSURED; TWO OR MORE AUTO POLICIES

If this policy insures two or more autos or if any other auto insurance policy issued to you by us applies to the same accident, the maximum limit of our liability shall not exceed the highest limit applicable to any one auto. In no event shall the limit of liability of two or more motor vehicles or two or more policies be added together, combined, or stacked to determine the limit of insurance coverage available to you or any **insured**.

LOSS PAYABLE CLAUSE

As to the interest of the loss payee, this policy will remain in effect from the inception date and until ten days after proof of mailing that the cancellation notice has been mailed to the loss payee. When we pay the loss payee we shall, to the extent of payment, have the loss payee's rights of recovery.

Where fraud, misrepresentation, material omission, or intentional damage has been committed by or at the direction of any **insured**, or where the loss is otherwise not covered under the terms of the policy, the loss payee or lienholder's interest will not be protected.

OUR DUTIES AFTER LOSS

We will pay the amount of any claim due any **insured** within thirty days after receipt of satisfactory proofs of loss from the **insured** or any party in interest.

Whenever a **property damage** claim on a personal vehicle is made by an **insured** or a third party claimant, and the damaged vehicle is located in a storage facility, the insurer responsible for payment of the claim shall cause an appraisal of the damaged vehicle to be made within ten working days of the date of notification of the location and availability of the vehicle. In the event the **property damage** is caused by a natural disaster or catastrophe or unusual circumstances, the appraisal requirement shall be twenty working days.

We shall furnish, upon request of any person claiming to have a loss covered under this policy, proof of loss forms for completion by such person.

STORAGE COSTS

If you give us your consent, we may move the damaged property, at our expense, to reduce storage costs during the claims process. If you do not give us your consent, we will pay only the storage costs which would have resulted if we had moved the damaged property.

NAMED DRIVER EXCLUSION

If there is an excluded driver under this policy, then we will not provide coverage for any claim arising from an accident or loss involving a motor vehicle being operated by that excluded person. This includes any claim for damages made against you or any **family member** or any other person or organization that is vicariously liable for an accident arising out of the operation of a motor vehicle by the excluded driver.

ADDITIONAL COVERAGES

AGREEMENT: WE WILL PROVIDE THE INSURANCE DESCRIBED IN EACH OF THE FOLLOWING ADDITIONAL COVERAGES ONLY IF INDICATED IN THE DECLARATIONS.

PROPERTY DAMAGE UNINSURED MOTORISTS COVERAGE**INSURING AGREEMENT**

- A. We will pay damages which an **insured** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** because of **property damage** caused by an accident. The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the **uninsured motor vehicle**. We will pay under this coverage only after the limits of liability under any property damage liability bonds or policies applicable to the **uninsured motor vehicle** have been exhausted by payment of judgments or settlements.
- B. "**Insured**" as used in this coverage means you or any **family member**.
- C. "**Property damage**" as used in this coverage means injury to or destruction of **your covered auto**. However, **property damage** does not include:
1. Loss of use of **your covered auto**; or
 2. Damage to property owned by the **insured** while contained in **your covered auto**.
- D. "**Uninsured motor vehicle**" means a land motor vehicle or **trailer** of any type:
1. To which no liability bond or policy affording coverage for **property damage** applies at the time of the accident.

2. To which a liability bond or policy affording coverage for **property damage** applies at the time of the accident but the amount paid for **property damage** under that bond or policy to an **insured** is not enough to pay the full amount the **insured** is legally entitled to recover as damages.
3. Which is a hit-and-run vehicle whose operator or owner cannot be identified and which hits or which causes **property damage** without hitting **your covered auto**. If there is no physical contact with the hit-and-run vehicle the **insured** must show, by an independent and disinterested witness, that the **property damage** was the result of the actions of an unidentified motorist.
4. To which a liability bond or policy affording coverage for **property damage** applies at the time of the accident but the bonding or insuring company:
 - a. denies coverage; or
 - b. is or becomes insolvent.

However, "**uninsured motor vehicle**" does not include any vehicle or equipment:

1. Owned by or furnished or available for the regular use of you or any **family member**.
2. Owned by any governmental unit or agency.
3. Operated on rails or crawler treads.

4. Designed mainly for use off public roads while not on public roads.
5. While located for use as a residence or premises.

EXCLUSIONS

A. We do not provide Uninsured Motorists Coverage for **property damage**:

1. When **your covered auto** is being used as a public or livery conveyance. This exclusion (**A.1.**) does not apply to a share-the-expense car pool.
2. While maintaining or using any vehicle while that **insured** is employed or otherwise engaged in any **business** of delivery, including but not limited to delivery of newspapers or magazines, food, or any other products unless such use is incidental to your **business** of installing, maintaining or repairing furnishings or equipment or for farming or ranching.
3. While using a vehicle without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted. However, this exclusion does not apply to you or any **family member** using **your covered auto**.
4. For the first \$250 of the amount of the **property damage** to each of **your covered autos** as the result of any one accident.
5. To any motor vehicle owned by you for which you have purchased Collision Coverage under this policy or any other policy.
6. While **occupying** or operating an owned motorcycle or moped.
7. While using any vehicle while it is:
 - a. operating on a surface designed or used for racing except for an organized and controlled event that is not a speed, performance, stunt or demolition event;
 - b. participating in a high performance driving or racing instruction course or school; or
 - c. preparing for, practicing for, used in, or competing in any spontaneous, prearranged, or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.

B. This coverage shall not apply directly or indirectly to benefit any insurer of the property.

- C. We do not provide Property Damage Uninsured Motorists Coverage for **punitive or exemplary damages**.

LIMIT OF LIABILITY

A. Our maximum limit of liability for all damages resulting from any one accident will be the lesser of:

1. The limit of liability shown in the Declarations; or
2. The actual cash value of **your covered auto**.

This is the most we will pay, regardless of the number of:

1. **Insureds**;
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the accident.

B. An adjustment for depreciation and physical condition may be made based upon the physical condition and wear and tear of the property or damaged part of the property at the time of the loss. This adjustment for physical condition includes but is not limited to, broken, cracked or missing parts, rust, dents, scrapes, gouges and paint condition. When replacing parts normally subject to repair or replacement during the useful life of the vehicle, we will not pay for the amount of any betterment.

C. We will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.

OTHER INSURANCE

If there is other applicable insurance available under more than one policy or provision of coverage that is similar to the insurance provided by this coverage:

1. Any recovery for damages for **property damage** sustained by an **insured** may equal but not exceed \$10,000.
2. We will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits.

ARBITRATION

A. If we and an **insured** do not agree:

1. Whether that **insured** is legally entitled to recover damages; or
2. As to the amount of damages which are recoverable by that **insured**;

from the owner or operator of an **uninsured motor vehicle**, then the matter may be arbitrated. However, disputes concerning coverage under this Part may not be arbitrated.

Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.

- B. Each party will:
1. Pay the expenses it incurs; and
 2. Bear the expenses of the third arbitrator equally.
- C. Unless both parties agree otherwise, arbitration will take place in the county in which the **insured** lives. Local rules of law as to procedure and evidence will apply. Any decision of the arbitrator will not be binding.

TOWING AND LABOR COSTS COVERAGE

- A. We will pay reasonable expenses incurred each time **your covered auto** or a **non-owned auto** is disabled, for:
1. Towing to the nearest place where necessary repairs can be made during regular **business** hours;
 2. Towing to dislodge the vehicle from its place of disablement if on or next to a public street or highway;
 3. Mechanical labor up to one hour at the place of its breakdown, including change of tire;
 4. Delivery of gasoline, oil or loaned battery. We do not pay the cost of these items.

- B. We will pay for key lock-out services and labor costs incurred at the location of **your covered auto** or **non-owned auto**, but not exceeding \$50 for services provided.

No deductible applies to this coverage.

LOSS OF USE COVERAGE

The provisions and exclusions that apply to Part D — Coverage for Damage to Your Auto also apply to this coverage except as changed below:

When there is a loss to any vehicle described in the Declarations for which a specific premium charge indicates that Loss of Use Coverage is afforded, we will reimburse you for expenses you incur to rent a substitute vehicle.

This coverage applies only if:

1. The vehicle is withdrawn from use for more than 24 hours;
2. The loss is caused by **collision**, or is covered by the Comprehensive Coverage of this policy; and
3. The loss exceeds the appropriate **collision** or **comprehensive** deductible applying to the vehicle.

However, this coverage does not apply to losses caused by **collision** if Collision Coverage does not apply to the vehicle.

Our payment will be limited to that period of time reasonably required to repair or replace the vehicle. We will pay up to the amount per day and the maximum shown for Loss of Use in the Declarations.

No deductible applies to this coverage.



ILLINOIS PERSONAL AUTO POLICY

SAFECO INSURANCE COMPANY OF ILLINOIS
 Home Office: 2800 W. Higgins Rd., Suite 1100, Hoffman Estates, Illinois 60195
 (A stock insurance company.)

READY REFERENCE TO YOUR AUTO POLICY

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ADDITIONAL COVERAGES

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Property Damage Uninsured Motorists Coverage

Roadside Assistance Coverage

Loss of Use Coverage

Full Safety Glass Coverage

[illegible]

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AGREEMENT

In return for your payment of all premiums, and in reliance upon the statements in the application we agree to insure you subject to the terms, conditions and limitations of this policy. We will insure you for the coverages and limits shown on the Declarations. Your policy consists of the policy contract, Declarations and endorsements applicable to the policy.

DEFINITIONS

- A.** Throughout this policy, "you" and "your" refer to:
1. The "named insured" shown in the Declarations;
 2. The spouse if a resident of the same household;
 3. The civil partner, if a resident of the same household, by civil union licensed and certified by the state; or
 4. The **domestic partner**, if a resident of the same household;
- "Domestic partner"** means a person living as a continuing partner with you and:
- (a) is at least 18 years of age and competent to contract;
 - (b) is not a relative; and
 - (c) shares with you the responsibility for each other's welfare, evidence of which includes:
 - (1) the sharing in domestic responsibilities for the maintenance of the household; or
 - (2) having joint financial obligations, resources, or assets; or
 - (3) one with whom you have made a declaration of domestic partnership or similar declaration with an employer or government entity.
- Domestic partner** does not include more than one person, a roommate whether sharing expenses equally or not, or one who pays rent to the named insured.
- B.** "We," "us" and "our" refer to the Company, as shown on the Declarations, providing this insurance.
- C.** For purposes of this policy, a private passenger auto shall be deemed to be owned by a person if leased:
1. Under a written agreement to that person; and
 2. For a continuous period of at least six months.
- D.** Throughout the policy, "**minimum limits**" refers to the following limits of liability required by Illinois Safety Responsibility law to be provided under a policy of automobile liability insurance:
1. \$20,000 for each person, subject to \$40,000 for each accident, with respect to **bodily injury**;
 2. \$15,000 for each accident with respect to **property damage**.
- Other words and phrases are defined. They are in bold type when used.
- E.** "**Bodily injury**" means bodily harm, sickness or disease, including death that results.
- F.** "**Business**" includes trade, profession or occupation.
- G.** "**Family member**" means a person related to you by blood, marriage, civil union, domestic partnership or adoption who is a resident of your household. This includes a ward or foster child who is a resident of your household.
- H.** "**Fungi**" means any type or form of fungus, including yeast, mold or mildew, blight or mushroom and any mycotoxins, spore, scents or other substances, products or byproducts produced, released by or arising out of **fungi**, including growth, proliferation or spread of **fungi** or the current or past presence of **fungi**. However, this definition does not include any **fungi** intended by the **insured** for consumption.
- I.** "**Occupying**" means in; upon; or getting in, on, out or off.
- J.** "**Property damage**" means physical injury or destruction of tangible property including loss of use.
- K.** "**Punitive or exemplary damages**" include damages which are awarded to punish or deter wrongful conduct, to set an example, to fine, penalize or impose a statutory penalty, and damages which are awarded for any purpose other than as compensatory damages for **bodily injury** or **property damage**.
- L.** "**Trailer**" means a vehicle designed to be pulled by a:
1. Private passenger auto; or
 2. Pickup, van or motorhome.

It also means a recreational camping vehicle, a farm wagon or farm implement while towed by a vehicle listed in L.1. or L.2. above.

M. "Your covered auto" means:

1. Any vehicle shown in the Declarations.
2. a. Any newly acquired vehicle, whether operational or not, on the date you become the owner, subject to conditions for **Newly Acquired Replacement Vehicle** and **Newly Acquired Additional Vehicle** under M.2.b. below. Any newly acquired vehicle must be of the following types:

- (1) a private passenger auto;
- (2) a pickup or van that:
 - (a) has a Gross Vehicle Weight Rating of 12,000 lbs or less; and
 - (b) is not used for the delivery or transportation of goods and materials unless such use is:
 - i. incidental to your **business** of installing, maintaining or repairing furnishings or equipment; or
 - ii. for farming or ranching; or
- (3) a motorhome or **trailer**.

- b. A newly acquired vehicle is subject to the following conditions:

- (1) **Newly Acquired Replacement Vehicle.** If the vehicle you acquire replaces one shown in the Declarations, the replacement vehicle will have the same coverage as the vehicle it replaced, other than Part D — Coverage for Damage to Your Auto. This provision applies only if there is no other insurance policy that provides coverage for that replacement vehicle.

Part D — Coverage for Damage to Your Auto shall apply for the first thirty (30) days after you acquire the vehicle, including the

date of acquisition, only to the extent Part D — Coverage for Damage to Your Auto applied to the vehicle being replaced. You must notify us within thirty (30) days after you acquire the replacement vehicle for Part D — Coverage for Damage to Your Auto to continue.

- (2) **Newly Acquired Additional Vehicle.** For any newly acquired vehicle that is in addition to any shown in the Declarations coverage shall apply for the first thirty (30) days after you acquire the vehicle, including the date of acquisition. Coverage shall be the broadest coverage we provide for any vehicle shown in the Declarations. This coverage applies only if:

- (a) you acquire the additional vehicle during the policy period shown on the Declarations; and
- (b) there is no other insurance policy that provides coverage for the additional vehicle.

If you wish to add or continue coverage you must ask us to insure the additional vehicle within thirty (30) days after you acquire the additional vehicle. This thirty (30) days of coverage includes the day you acquire the vehicle.

3. Any auto or **trailer** you do not own while used as a temporary substitute for any other vehicle described in this definition which is out of normal use because of its:
 - a. breakdown;
 - b. repair;
 - c. servicing;
 - d. loss; or
 - e. destruction.

This provision (M.3.) does not apply to Coverage for Damage to Your Auto.

PART A — LIABILITY COVERAGE

INSURING AGREEMENT

- A.** We will pay damages for **bodily injury** or **property damage** for which any **insured** becomes legally responsible because of an auto accident. We will settle or defend, as we consider appropriate, any claim or suit asking for these damages. In addition to our limit of liability, we will pay all defense costs we incur. Our duty to settle or defend ends when our limit of liability for this coverage has been exhausted. We have no duty to defend any suit or settle any claim for **bodily injury** or **property damage** not covered under this policy.
- B.** “**Insured**” as used in this Part means:
1. You or any **family member** for the ownership, maintenance or use of any auto or **trailer**.
 2. Any person using **your covered auto** with your express or implied permission. The actual use must be within the scope of that permission.
 3. For **your covered auto**, any person or organization but only with respect to legal responsibility for acts or omissions of a person for whom coverage is afforded under **B.1.** and **B.2.** above.
 4. For any auto or **trailer**, other than **your covered auto**, any other person or organization but only with respect to legal responsibility for acts or omissions of you or any **family member** for whom coverage is afforded under this Part. This provision (**B.4.**) applies only if the person or organization does not own or hire the auto or **trailer**.

INTEREST ON JUDGMENTS

We will pay interest on judgments subject to all of the following:

1. Any notice, demand, summons, judgment, or any process has been promptly forwarded to us as required by the policy conditions.
2. We accept the defense or agree to the judgment.
3. We will pay the interest on that part of the judgment that is covered and that does not exceed our applicable limit of liability.
4. We will pay interest that accrues after entry of judgment and before we pay, tender, or deposit in court.
5. If we appeal the judgment, we will pay interest on the entire judgment.

6. Post-judgment interest is in addition to the applicable limit of liability.
7. Where we are required to cover prejudgment interest, it is an additional amount of insurance.

SUPPLEMENTARY PAYMENTS

We will pay on behalf of an **insured**:

1. Up to \$1,000 for the cost of bail bonds required because of an accident, including related traffic law violations. The accident must result in **bodily injury** or **property damage** covered under this policy. We are not obligated to apply for or furnish such bonds.
2. Premiums on appeal bonds and bonds to release attachments in any suit we defend.
3. Up to \$250 a day for loss of earnings, but not other income, because of attendance at hearings or trials at our request.
4. Other reasonable expenses incurred at our request.
5. Pay all expenses incurred by an **insured** for first aid to others at the time of the accident, not to exceed \$10,000.

EXCLUSIONS

- A.** We do not provide Liability Coverage for:
1. Any **insured** who intentionally causes **bodily injury** or **property damage** even if such **bodily injury** or **property damage** is of a different kind or degree than expected or intended, or such **bodily injury** or **property damage** is sustained by a different person or persons than expected or intended.
 2. **Property damage** to property owned or being transported by any **insured**.
 3. **Property damage** to property:
 - a. rented to;
 - b. used by; or
 - c. in the care of;
 any **insured**.
 This exclusion (**A.3.**) does not apply to **property damage** to a residence or private garage.
 4. **Bodily injury** to an employee of any **insured** during the course of employment. This exclusion (**A.4.**) does not apply to **bodily injury** to a domestic employee unless workers compensation benefits are required or available for that domestic employee.

5. Any **insured's** liability arising out of the ownership or operation of a vehicle while it is being used as a public or livery conveyance. This exclusion (**A.5.**) does not apply to a share-the-expense car pool.
6. Any **insured** using any vehicle while employed in the pickup or delivery of newspapers or magazines, food or any products for the purpose of compensation. This exclusion does not apply to delivery that is incidental to an **insured's business**.
7.
 - a. Any **insured** while employed or otherwise engaged in the **business** of:
 - (1) selling;
 - (2) repairing;
 - (3) servicing;
 - (4) storing; or
 - (5) parking;
 vehicles designed for use mainly on public highways. This includes road testing and delivery.
 - b. This exclusion (**A.7.**) does not apply to the ownership, maintenance or use of **your covered auto** by:
 - (1) you;
 - (2) any **family member**;
 - (3) any partner, agent or employee of you or any **family member**; or
 - (4) any other person.
8. Any **insured** maintaining or using any vehicle while that **insured** is employed or otherwise engaged in any **business** (other than farming or ranching) not described in exclusions **A.6.** or **A.7.** This exclusion (**A.8.**) does not apply to the maintenance or use of a:
 - a. private passenger auto;
 - b. pickup, motorhome or van that:
 - (1) you own; or
 - (2) you do not own while used as a temporary substitute for **your covered auto** which is out of normal use because of its:
 - (a) breakdown;
 - (b) repair;
 - (c) servicing;
 - (d) loss; or
 - (e) destruction; or
 - c. **trailer** used with a vehicle described in **A.8.a.** or **A.8.b.** above.
9. Any **insured** using a vehicle without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted. However, this exclusion does not apply to a **family member** using **your covered auto**.
10.
 - a. **Bodily injury or property damage** for which any **insured**:
 - (1) is an insured under a nuclear energy liability policy; or
 - (2) would be an insured under a nuclear energy liability policy but for its termination upon exhaustion of its limit of liability.
 - b. A nuclear energy liability policy is a policy issued by any of the following or their successors:
 - (1) Nuclear Energy Liability Insurance Association;
 - (2) Mutual Atomic Energy Liability Underwriters; or
 - (3) Nuclear Insurance Association of Canada.
11. **Punitive or exemplary damages** awarded against any **insured**. However, if a suit is brought against an **insured** arising out of a claim for acts or alleged acts covered under Part **A** of the policy, we will provide a defense to such action without liability for **punitive or exemplary damages**.
12. **Bodily injury** to you or any **family member**. However, this exclusion does not apply:
 - a. to the maintenance or use of **your covered auto** by any person other than you or any **family member**; or
 - b. when a third party acquires a right of contribution against you or any **family member**.
13. **Bodily injury or property damage** arising out of the use of **your covered auto** while leased or rented to others. However, this exclusion does not apply to the operation of **your covered auto** by you or a **family member**.
14. **Bodily injury or property damage** arising out of a criminal act or omission of the **insured**. This exclusion applies regardless of whether that **insured** is actually charged with, or convicted of, a crime. However, this exclusion (**14.**) does not apply to traffic violations.

B. We do not provide Liability Coverage for the ownership, maintenance or use of:

1. a. Any vehicle which:
 - (1) has fewer than four wheels;
 - (2) is designed mainly for use off public roads; or
 - (3) is a vehicle not licensed for use on public roads.
- b. This exclusion does not apply:
 - (1) while such vehicle is being used by an **insured** in a medical emergency; or
 - (2) to any **trailer**.
2. Any vehicle, other than **your covered auto**, which is:
 - a. owned by you; or
 - b. furnished or available for your regular use.
3. a. Any vehicle, other than **your covered auto**, which is:
 - (1) owned by any **family member** or other person who resides with you; or
 - (2) furnished or available for the regular use of any **family member** or other person who resides with you.
- b. However, this exclusion (B.3.) does not apply to you while you are maintaining or **occupying** any vehicle which is:
 - (1) owned by a **family member** or other person who resides with you; or
 - (2) furnished or available for the regular use of a **family member** or other person who resides with you.
4. Any vehicle while it is:
 - a. operating on a surface designed or used for racing, except for an organized and controlled event that is not a speed, performance, stunt or demolition event;
 - b. participating in a high performance driving or racing instruction course or school; or
 - c. preparing for, practicing for, used in, or competing in any prearranged, or organized:
 - (1) race activity; or

- (2) speed, performance, stunt, or demolition contest or exhibition.

LIMIT OF LIABILITY

A. If the Declarations indicates "per person"/"per accident" coverage applies:

The limit of liability as shown in the Declarations for "each person" for Bodily Injury Liability is our maximum limit of liability for all damages, including damages for care and loss of services (including loss of consortium and wrongful death), arising out of **bodily injury** sustained by any one person in any one auto accident.

Subject to this limit for "each person," the limit of liability shown in the Declarations for "each accident" for Bodily Injury Liability is our maximum limit of liability for all damages for **bodily injury** resulting from any one auto accident.

The limit of liability shown in the Declarations for each accident for Property Damage Liability is our maximum limit of liability for all **property damage** resulting from any one accident.

This is the most we will pay regardless of the number of:

1. **Insureds**;
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the auto accident.

B. If the Declarations indicate **Combined Single Limit** applies, Paragraph A. above is replaced by the following:

The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for all damages resulting from any one auto accident. This is the most we will pay regardless of the number of:

1. **Insureds**;
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the auto accident.

We will apply the limit of liability to provide any separate limits required by law for **bodily injury** and **property damage** liability. However, this provision will not change our total limit of liability.

- C. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part B or Part C of this policy.
- D. A vehicle and attached **trailer** are considered one vehicle. Therefore the limits of liability will not be increased for an accident involving a vehicle which has an attached **trailer**.

OUT OF STATE COVERAGE

If an auto accident to which this policy applies occurs in any state or province other than the one in which **your covered auto** is principally garaged, we will interpret your policy for that accident as follows:

- A. If the state or province has:
1. A financial responsibility or similar law specifying limits of liability for **bodily injury** or **property damage** higher than the limit shown in the Declarations, your policy will provide the higher specified limit.
 2. A compulsory insurance or similar law requiring a nonresident to maintain insurance whenever the nonresident uses a vehicle in that state or province, your policy will provide at least the required **minimum limits** and types of coverage.
- B. No one will be entitled to duplicate payments for the same elements of loss.

FINANCIAL RESPONSIBILITY

When this policy is certified as future proof of financial responsibility, this policy shall comply with the law to the extent required. The **insured** must reimburse us if we make a payment that we would not have made if this policy was not certified as proof of financial responsibility.

OTHER INSURANCE

If there is other applicable liability insurance:

1. We will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits.
2. Any insurance we provide for a vehicle you do not own shall be excess over any other collectible insurance. However, any insurance we provide for a vehicle you do not own shall be primary if:
 - a. The limit of liability shown in the Declarations is equal to or greater than:
 - (1) \$100,000 for **bodily injury** to any one person in any one accident;
 - (2) Subject to this limit per person, \$300,000 for **bodily injury** to two or more people in any one accident; and
 - (3) \$50,000 for **property damage**;
 - b. Such vehicle is loaned by a person, firm or corporation engaged in the **business** of selling motor vehicles; and
 - c. Such vehicle is used as a temporary substitute for **your covered auto** which is out of normal use because of its breakdown, repair or servicing.

PART B — MEDICAL PAYMENTS COVERAGE

INSURING AGREEMENT

- A. We will pay **usual and customary charges** incurred for reasonable and necessary medical and funeral expenses because of **bodily injury**:
1. Caused by accident; and
 2. Sustained by an **insured**.

We will pay only those expenses incurred for services rendered within three (3) years from the date of the accident.

We have a right to review medical expenses and services to determine if they are reasonable and necessary for the **bodily injury** sustained.

- B. "**Insured**" as used in this Part means:

1. You or any **family member**:
 - a. while **occupying**; or
 - b. as a pedestrian or bicyclist when struck by;

a motor vehicle designed for use mainly on public roads or a **trailer** of any type.

2. Any other person while **occupying your covered auto** with your express or implied permission. The actual use must be within the scope of that permission.
3. Any other person while **occupying**, as a guest, an automobile not owned by you or a **family member**, while being operated by you or a **family member**.

- C. "**Usual and customary charges**" as used in this Part mean:

Any amount which we determine represents a customary charge for services in the geographic area in which the service is rendered. To determine whether a charge is customary, we may consider outside sources of information of our choice, including, but not limited to:

1. Licensed, certified or registered health care professionals;
2. Medical examinations;
3. Medical file reviews;
4. Medical bill review services; or
5. Computerized data bases.

The **insured** shall not be responsible for payment of any reduction applied by us. If a medical provider disputes an amount paid by us, we will be responsible for resolving such disputes.

EXCLUSIONS

We do not provide Medical Payments Coverage for any **insured** for **bodily injury**:

1. Sustained while **occupying** any motorized vehicle having fewer than four wheels.
2. Sustained while **occupying your covered auto** when it is being used as a public or livery conveyance. This exclusion (2.) does not apply to a share-the-expense car pool.
3. Sustained while **occupying** any vehicle while employed in the pickup or delivery of newspapers or magazines, food or any products for the purpose of compensation. This exclusion does not apply to delivery that is incidental to an **insured's business**.
4. Sustained while **occupying** any auto not owned by, or furnished or available for the regular use of, you or any **family member** when it is being used as a public or livery conveyance. However, this exclusion does not apply to:
 - a. a share-the-expense car pool; or
 - b. you or any **family member**.
5. Sustained while **occupying** any vehicle located for use as a residence or premises.
6. Occurring during the course of employment if workers compensation benefits are required or available for the **bodily injury**.
7. Sustained while **occupying**, or when struck by, any vehicle (other than **your covered auto**) which is:
 - a. owned by you; or
 - b. furnished or available for your regular use.
8. Sustained while **occupying**, or when struck by, any vehicle (other than **your covered auto**) which is:
 - a. owned by any **family member** or other person who resides with you; or
 - b. furnished or available for the regular use of any **family member** or other person who resides with you.

However, this exclusion (8.) does not apply to you.
9. Sustained while **occupying** a vehicle without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the

scope of the permission granted. However this exclusion does not apply to a **family member** using **your covered auto**.

10. Sustained while **occupying** a vehicle when it is being used in the **business** of an **insured**. This exclusion (10.) does not apply to **bodily injury** sustained while **occupying a**:
 - a. private passenger auto;
 - b. pickup, van or motorhome that you own; or
 - c. **trailer** used with a vehicle described in a. or b. above.
11. Caused by or as a consequence of:
 - a. discharge of a nuclear weapon (even if accidental);
 - b. war (declared or undeclared);
 - c. civil war;
 - d. insurrection; or
 - e. rebellion or revolution.
12. From or as a consequence of the following, whether controlled or uncontrolled or however caused:
 - a. nuclear reaction;
 - b. radiation; or
 - c. radioactive contamination.
13. Sustained while **occupying** any vehicle while it is:
 - a. operating on a surface designed or used for racing except for an organized and controlled event that is not a speed, performance, stunt or demolition event;
 - b. participating in a high performance driving or racing instruction course or school; or
 - c. preparing for, practicing for, used in, or competing in any prearranged, or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.
14. Caused by the actual, alleged or threatened presence, growth, proliferation or spread of **fungi** or bacteria.

LIMIT OF LIABILITY

- A. The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for each person injured in any one accident. This

is the most we will pay regardless of the number of:

1. **Insureds**;
 2. Claims made;
 3. Vehicles or premiums shown in the Declarations; or
 4. Vehicles involved in the accident.
- B. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part A or Part C of this policy.

OTHER INSURANCE

If there is other applicable auto medical payments insurance, we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. Any insurance we provide with respect to a vehicle you do not own, including any temporary substitute vehicle, shall be excess over any other applicable auto medical payments insurance. If more than one policy applies on an excess basis, we will bear our proportionate share with other collectible auto medical payments insurance.

PART C — UNINSURED/UNDERINSURED MOTORISTS COVERAGE

INSURING AGREEMENT

- A. We will pay damages which an **insured** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** or **underinsured motor vehicle** because of **bodily injury**:

1. Sustained by that **insured**; and
2. Caused by an accident.

The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the **uninsured motor vehicle** or **underinsured motor vehicle**.

We will pay under Underinsured Motorists Coverage only after the limits of liability under any applicable bodily injury liability bonds or policies have been exhausted by payment of judgments or settlements, unless:

1. We have been given written notice of a **tentative settlement** and decide to advance payment to the **insured** in an amount equal to that settlement; or
2. We and an **insured** have reached a **settlement agreement**.

Any judgment for damages arising out of suit brought without our written consent is not binding on us.

- B. "**Insured**" as used in this Part means:

1. You or any **family member**.
2. Any other person **occupying your covered auto** or any other auto operated by you with your express or implied permission. The actual use must be within the scope of that permission.
3. Any person entitled to recover damages because of **bodily injury** to which this coverage applies sustained by a person described in B.1. or B.2. above.

- C. "**Settlement agreement**" means we and an **insured** agree that the **insured** is legally entitled to recover from the owner or operator of the

underinsured motor vehicle, damages for **bodily injury** and, without arbitration, agree also as to the amount of damages. Such agreement shall be final and binding regardless of any subsequent judgment or settlement reached by the **insured** with the owner or operator of the **underinsured motor vehicle**.

- D. "**Tentative settlement**" means an offer from the owner or operator of the **underinsured motor vehicle** to compensate an **insured** for damages incurred because of **bodily injury** sustained in an accident involving the **underinsured motor vehicle**.

- E. "**Underinsured motor vehicle**" means a land motor vehicle or **trailer** of any type to which a bodily injury liability bond or policy applies at the time of the accident but its limit for bodily injury liability is less than the limit of liability for this coverage.

However, "**underinsured motor vehicle**" does not include any vehicle or equipment:

1. Which is an **uninsured motor vehicle**.
2. Owned by or furnished or available for the regular use of you or any **family member**.
3. Owned by any governmental unit or agency.
4. Operated on rails or crawler treads.
5. Designed mainly for use off public roads while not upon public roads.
6. While located for use as a residence or premises.
7. Owned or operated by a person qualifying as a self-insurer under any applicable motor vehicle law.
8. To which a bodily injury liability bond or policy applies at the time of the accident but the bonding or insuring company:
 - a. denies coverage; or
 - b. is or becomes insolvent.

F. **"Uninsured motor vehicle"** means a land motor vehicle or **trailer** of any type:

1. To which no bodily injury liability bond or policy applies at the time of the accident.
2. To which a bodily injury liability bond or policy applies at the time of the accident if its limit for bodily injury liability is less than the **minimum limits** for bodily injury liability.
3. Which is a hit-and-run vehicle whose operator or owner cannot be identified and which hits or causes an object to hit:
 - a. you or any **family member**;
 - b. a vehicle which you or any **family member** are **occupying**; or
 - c. **your covered auto**.

If there is no physical contact with the hit-and-run vehicle the facts of the accident must be proved.
4. To which a bodily injury liability bond or policy applies at the time of the accident, but the bonding or insuring company:
 - a. denies coverage; or
 - b. is or becomes insolvent.

However, **"uninsured motor vehicle"** does not include any vehicle or equipment:

1. Owned by or furnished or available for the regular use of you or any **family member** unless it is a **your covered auto** to which Part **A** of the policy applies and liability coverage is excluded for damages sustained in the accident.
2. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.
3. Owned by any governmental unit or agency.
4. Operated on rails or crawler treads.
5. Designed mainly for use off public roads while not on public roads.
6. While located for use as a residence or premises.

EXCLUSIONS

A. We do not provide Uninsured/Underinsured Motorists Coverage for **bodily injury** sustained:

1. By an **insured** while **occupying**, or when struck by, any motor vehicle owned by that **insured** which is not insured for this coverage under this policy. This includes a **trailer** of any type used with that vehicle.
2. By any **family member** while **occupying**, or when struck by, any motor vehicle you

own which is insured for this coverage on a primary basis under any other policy.

B. We do not provide Uninsured/Underinsured Motorists Coverage for **bodily injury** sustained by any **insured**:

1. If that **insured** or the legal representative settles the **bodily injury** claim without our consent.
2. While **occupying your covered auto** when it is being used as a public or livery conveyance. This exclusion (**B.2.**) does not apply to a share-the-expense car pool.
3. While **occupying** any auto not owned by, or furnished or available for the regular use of, you or any **family member** when it is being used as a public or livery conveyance. However, this exclusion does not apply to:
 - a. a share-the-expense car pool; or
 - b. you or any **family member**.
4. While using any vehicle while employed in the pickup or delivery of newspapers or magazines, food or any products for the purpose of compensation. This exclusion does not apply to delivery that is incidental to an **insured's business**.
5. While using a vehicle without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted. However, this exclusion does not apply to you or any **family member** using **your covered auto**.
6. While **occupying** or operating an owned motorcycle or moped.
7. While using any vehicle while it is:
 - a. operating on a surface designed or used for racing except for an organized and controlled event that is not a speed, performance, stunt or demolition event;
 - b. participating in a high performance driving or racing instruction course or school; or
 - c. preparing for, practicing for, used in, or competing in any prearranged, or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.

C. This coverage shall not apply directly or indirectly to benefit any insurer or self-insurer under any of the following or similar law:

1. Workers compensation law; or

2. Disability benefits law.

- D. We do not provide Uninsured/Underinsured Motorists Coverage for **punitive or exemplary damages**.

LIMIT OF LIABILITY

- A. The limit of liability shown in the Declarations for "each person" for Uninsured/Underinsured Motorists Coverage is our maximum limit of liability for all damages, including damages for care and loss of services (including loss of consortium and wrongful death), arising out of **bodily injury** sustained by any one person in any one auto accident.

Subject to this limit for "each person", the limit of liability shown in the Declarations for "each accident" for Uninsured/Underinsured Motorists Coverage is our maximum limit of liability for all damages for **bodily injury** resulting from any one auto accident.

This is the most we will pay regardless of the number of:

1. **Insureds**;
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the accident.

- B. Except in the event of a **settlement agreement**, the limit of liability for Underinsured Motorists Coverage shall be reduced by all sums paid because of the **bodily injury** by or on behalf of persons or organizations who may be legally responsible. This includes all sums paid under Part **A** of this policy.

- C. In the event of a **settlement agreement**, the maximum limit of liability for Underinsured Motorists Coverage shall be the amount by which the limit of liability for this coverage exceeds the limits of bodily injury liability bonds or policies applicable to the owner or operator of the **underinsured motor vehicle**.

- D. For Uninsured Motorists Coverage:

1. Any amounts otherwise payable for damages under this Part shall be reduced by all sums paid or payable because of the **bodily injury** under any of the following or similar law:
 - a. workers compensation law; or
 - b. disability benefits law.
2. Any payment under this Part will reduce any amount that person is entitled to recover under Part **A** of this policy.
3. No one will be entitled to receive duplicate payments for the same elements of loss.

- E. For Underinsured Motorists Coverage:

1. The limit of liability for Underinsured Motorists Coverage shall be reduced by all sums:

- a. paid or payable because of the **bodily injury** under any automobile medical payments coverage. This includes all sums paid under Part **B** of this policy.
- b. paid or payable because of the **bodily injury** under any of the following or similar law:
 - (1) workers compensation law; or
 - (2) disability benefits law.

However, this paragraph shall not apply to disability benefits received under the Federal Social Security Act.

2. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part **A**, Part **B** or Part **C** of this policy.
3. We will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.
4. We will not pay for any element of loss if a person is entitled to receive payment for the same element of loss under any of the following or similar law:
 - a. workers compensation law; or
 - b. disability benefits law.

However, this shall not apply to disability benefits received under the Federal Social Security Act.

- F. A vehicle and attached **trailer** are considered one vehicle. Therefore the limits of liability will not be increased for an accident involving a vehicle which has an attached **trailer**.
- G. If the Declarations indicate Combined Single Limit Coverage applies, paragraph (**A.**) above is replaced by the following:

The limit of liability shown in the Declarations for Uninsured/Underinsured Motorists Coverage is our maximum limit of liability for all damages resulting from any one auto accident. This is the most we will pay regardless of the number of:

1. **Insureds**;
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the auto accident.

We will apply the limit of liability to provide any separate limits required by law for **bodily injury**

and **property damage** liability. However, this provision will not change our total limit of liability.

OTHER INSURANCE

A. For Uninsured Motorists Coverage only:

If there is other applicable similar insurance available under more than one policy or provision of coverage:

1. Any recovery for damages for **bodily injury** sustained by an **insured** may equal but not exceed the higher of the applicable limit for any one vehicle under this insurance or any other insurance.
2. Any insurance we provide with respect to a vehicle you do not own shall be excess over any other collectible insurance.
3. We will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits.

B. For Underinsured Motorists Coverage only:

If there is other applicable insurance available under one or more policies or provisions of coverage that is similar to the insurance provided under this part of the policy.

1. Any recovery for damages under all such policies or provisions of coverage may equal but not exceed the highest applicable limit for any one vehicle under any insurance providing coverage on either a primary or excess basis.
2. Any insurance we provide with respect to a vehicle you do not own, including any vehicle while used as a temporary substitute for **your covered auto**, shall be excess over any collectible insurance.
3. If the coverage under this policy is provided:
 - a. on a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage provided on a primary basis.
 - b. on an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage provided on an excess basis.

EXHAUSTION CLAUSE

We will pay under the Underinsured Motorists Coverage only after the limits of liability under any applicable bodily injury liability bonds or policies have been exhausted by payment of judgments or settlements, unless:

1. We have been given written notice of a **tentative settlement** and decide to advance payment to the **insured** in an amount equal to that settlement; or
2. We and an **insured** have reached a **settlement agreement**.

ARBITRATION

A. If we and an **insured** do not agree:

1. Whether that **insured** is legally entitled to recover damages under this part; or
2. As to the amount of damages;

either party may make a written demand for arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third. If such arbitrators are not selected within 45 days, either party may request that the arbitration be submitted to the American Arbitration Association.

B. We will bear all the expenses of the arbitration except when the **insured's** recovery exceeds the minimum limit specified in the Illinois Safety Responsibility Law. If this occurs, the **insured** will be responsible up to the amount by which the **insured's** recovery exceeds the statutory minimum for:

1. Payment of his or her expenses; and
2. An equal share of the third arbitrator's expenses.

C. Unless both parties agree otherwise, arbitration will take place in the county in which the **insured** lives.

If arbitration is submitted to the American Arbitration Association, then the American Arbitration Association rules shall apply to all matters except medical opinions. As to medical opinions, if the amount of damages being sought:

1. Is equal to or less than the minimum limit for bodily injury liability specified by the Illinois Safety Responsibility Law, then the American Arbitration Association rules shall apply.
2. Exceeds the minimum limit for bodily injury liability specified by the Illinois Safety Responsibility Law, the rules of evidence that apply in the circuit court for placing medical opinions into evidence shall apply.

In all other cases, local rules of law as to procedures and evidence shall apply.

- D. A decision agreed to by two of the arbitrators will be binding as to:
1. Whether the **insured** is legally entitled to recover damages; and
 2. The amount of damages. This applies only if the amount does not exceed the lesser of:
 - a. \$50,000 for **bodily injury** to any one person in any one accident. Subject to this limit per person, \$100,000 for **bodily injury** to two or more people in any one accident; or
 - b. the limits for **bodily injury** shown in the Declarations.

If the amount exceeds these limits, either party may demand the right to a trial. This demand must be made within 60 days of the arbitrators' decision. If this demand is not made, the amount of damages agreed to by the arbitrators will be binding.

ADDITIONAL DUTIES

Any person seeking Underinsured Motorists Coverage must also:

1. Give us written notice of a **tentative settlement** and allow us 30 days to advance payment in an amount equal to that settlement to preserve our rights against the owner or operator of the **underinsured motor vehicle**.
2. File suit against the owner or operator of the **underinsured motor vehicle** prior to the conclusion of a **settlement agreement**. Such suit cannot be abandoned, or settled without giving us written notice of a **tentative settlement** and allowing us 30 days to advance payment in an amount equal to that settlement to preserve our rights against the owner or operator of the **underinsured motor vehicle**.
3. Promptly send us copies of the legal papers if a suit is brought.

PART D — COVERAGE FOR DAMAGE TO YOUR AUTO

INSURING AGREEMENT

- A. We will pay for direct and accidental loss to **your covered auto** or any **non-owned auto**, including its equipment, any child safety seat in use in **your covered auto** or **non-owned auto**, minus any applicable deductible shown in the Declarations. We will pay for loss to **your covered auto** caused by:

1. Other than **collision** only if the Declarations indicate that Comprehensive Coverage is provided for that auto.
2. **Collision** only if the Declarations indicate that Collision Coverage is provided for that auto.

Deductible

Unless stated otherwise, the applicable deductible shown in the Declarations shall be applied to each accidental loss covered under this part of the policy. However,

- a. if loss to more than one of **your covered autos** or a **non-owned auto** results from the same loss, only the highest applicable deductible will apply;
- b. in the event of a **collision** with another vehicle insured by a Safeco insurance company, other than a vehicle described as **your covered auto** or **non-owned auto**, no deductible will apply.

- c. if loss to **your covered auto** or a **non-owned auto** results from the same event as a covered loss under your Homeowners, Condominium or Rental policy issued by a Safeco company, no deductible will apply to **your covered auto** or a **non-owned auto**.

- B. "**Collision**" means the upset of **your covered auto** or a **non-owned auto** or its impact with another vehicle or object.

"**Comprehensive**" means loss, other than **collision**, to **your covered auto** or a **non-owned auto**. Losses caused by the following are not **collision** losses but are **comprehensive** losses:

Loss caused by missiles or falling objects; fire; theft or larceny; explosion or earthquake; windstorm; hail, water or flood; malicious mischief or vandalism; riot or civil commotion; contact with a bird or animal; or breakage of glass.

If breakage of glass is caused by a **collision**, you may elect to have it considered a loss caused by **collision**.

- C. 1. "**Non-owned auto**" means:

- a. Any private passenger auto, pickup, van (other than cargo van) or **trailer** with a Gross Vehicle Weight rating of 12,000 pounds or less or any cargo van or moving van with a Gross

Vehicle Weight Rating of 18,000 pounds or less, not owned by or furnished or available for the regular use of you or any **family member** while in the custody of or being operated by you or any **family member**.

- b. Any auto or **trailer** you do not own while used as a temporary substitute for **your covered auto** which is out of normal use because of its:

- (1) breakdown;
- (2) repair;
- (3) servicing;
- (4) loss; or
- (5) destruction.

2. "**Non-owned auto**" does not include any vehicle which has been operated or rented by or in the possession of an **insured** for 30 or more consecutive days. This does not apply to a temporary substitute vehicle authorized by us.

D. "**Camper body**" means a body equipped as sleeping or living quarters which is designed to be mounted on a pickup.

E. "**Diminution in value**" means the actual or perceived loss in market or resale value which results from a direct and accidental loss.

TRANSPORTATION EXPENSES

A. Subject to the limitations described in paragraphs B. and C., below, we will pay:

1. Temporary transportation expenses incurred by you in the event of the total theft of **your covered auto** or a **non-owned auto**. We will pay for such expenses only if the Declarations indicate that Comprehensive Coverage is provided for that auto. We will pay only expenses incurred during the period:
 - a. beginning 48 hours after the theft; and
 - b. ending when **your covered auto** or the **non-owned auto** is returned to use or we pay for its loss.
2. Indirect loss expenses for which you become legally responsible in the event of a loss to a **non-owned auto**. We will pay only expenses beginning when the **non-owned auto** is withdrawn from use for more than 24 hours. We will pay for indirect loss expenses if the loss is caused by:
 - a. a **comprehensive** loss only if the Declarations indicate that Comprehensive Coverage is provided for any **your covered auto**.

- b. **collision** only if the Declarations indicate that Collision Coverage is provided for any **your covered auto**.

B. For the expenses described in paragraphs A.1. and A.2. we will pay the greater of the following, without application of a deductible:

1. Up to \$25 per day, to a maximum of \$750; or
2. The limit for Loss of Use, if any, shown in the Declarations.

C. Our payment for the expenses described in paragraphs A.1. and A.2. will be limited to that period of time reasonably required to repair or replace the **your covered auto** or the **non-owned auto**.

EXCLUSIONS

We will not pay for:

1. Loss to **your covered auto** or any **non-owned auto** which occurs while it is being used as a public or livery conveyance. This exclusion (1.) does not apply to a share-the-expense car pool.
2. Loss to **your covered auto** or any **non-owned auto** while employed in the pickup or delivery of newspapers or magazines, food or any products for the purpose of compensation. This exclusion does not apply to delivery that is incidental to an **insured's business**.
3. Damage or loss due and confined to:
 - a. wear and tear;
 - b. freezing;
 - c. mechanical or electrical breakdown or failure; or
 - d. road damage to tires.

This exclusion (3.) does not apply if the damage results from the total theft of **your covered auto** or any **non-owned auto**.
4. Damage or loss arising out of neglect. Neglect means your failure to adequately maintain **your covered auto** or **non-owned auto** after the loss.

With respect to water under Comprehensive Coverage, there is no coverage for:

- a. moisture, condensation, humidity, or vapor;
- b. water intrusion around or through panels, surfaces and seals; or
- c. water that collects in spaces or ventilation systems; or
- d. **fungi**, dry rot or bacteria; resulting from neglect.

5. Loss due to or as a consequence of:
 - a. discharge of any nuclear weapon (even if accidental);
 - b. war (declared or undeclared);
 - c. civil war;
 - d. insurrection; or
 - e. rebellion or revolution.
 6. Loss from or as a consequence of the following, whether controlled or uncontrolled or however caused:
 - a. nuclear reaction;
 - b. radiation; or
 - c. radioactive contamination.
 7. Loss to:
 - a. any electronic equipment designed for the production or reproduction of sound, pictures, audio, visual or data or that receives or transmits sound, pictures or data signals.
 - b. This exclusion (7.) does not apply to:
 - (1) equipment designed for the reproduction of sound or transmission of sound, pictures, audio, visual or data signals and accessories used with such equipment, provided:
 - (a) the electronic equipment is permanently installed by the original vehicle manufacturer or manufacturer's dealership in **your covered auto** or any **non-owned auto**; or
 - (b) the electronic equipment is:
 - i. removable from a housing unit which is permanently installed by the original vehicle manufacturer or manufacturer's dealership in the auto;
 - ii. designed to be solely operated by use of the power from the auto's electrical system; and
 - iii. in or upon **your covered auto** or any **non-owned auto**; at the time of loss.
 - (c) any equipment installed through our Teensurance™ program.
- However, we will pay only up to a total of \$1,000 or the actual cash value of **your covered auto** or any **non-owned auto**, whichever is less, for all such equipment that is not installed by the original vehicle manufacturer or manufacturer's dealership.
- (2) any other electronic equipment that is:
 - (a) necessary for the normal operation of the auto or the monitoring of the auto's operating systems;
 - (b) an integral part of the same unit housing any electronic equipment described in 7.a. and permanently installed by the original vehicle manufacturer or manufacturer's dealership in **your covered auto** or any **non-owned auto**.
8. Loss to:
 - a. tapes, records, discs, or other media used with such equipment described in exclusion (7.); or
 - b. any other accessories, not permanently installed used with such equipment described in exclusion (7.).
 9. Loss to **your covered auto** or any **non-owned auto** due to destruction or confiscation by governmental or civil authorities because you or any **family member**:
 - a. engaged in illegal activities; or
 - b. failed to comply with Environmental Protection Agency or Department of Transportation standards.

This exclusion (9.) does not apply to the interests of Loss Payees in **your covered auto**.
 10. Loss to a **camper body**, motorhome or **trailer** you own which is not shown in the Declarations. This exclusion (10.) does not apply to a **camper body**, motorhome or **trailer** you:
 - a. acquire during the policy period; and
 - b. ask us to insure within 30 days after you become the owner.
 11. Loss to any **non-owned auto** when used by you or any **family member** without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted.

12. Loss to equipment, whether operational or not, whose design may be used for the detection or location of law enforcement equipment.
13. Loss to any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in the **business** of:
 - a. selling;
 - b. repairing;
 - c. servicing;
 - d. storing; or
 - e. parking;

vehicles designed for use on public highways. This includes road testing and delivery.
14. Loss to any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in any **business** not described in exclusion 2. and 13. This exclusion (14.) does not apply to the maintenance or use by you or any **family member** of a **non-owned auto** which is a private passenger auto or **trailer**.
15. Loss to **your covered auto** or any **non-owned auto** while it is:
 - a. operating on a surface designed or used for racing. This does not apply to an organized and controlled event that is not a speed, performance, stunt or demolition event;
 - b. participating in a high performance driving or racing instruction course or school; or
 - c. preparing for, practicing for, used in, or competing in any prearranged, or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.
16. Loss to, or loss of use of, a **non-owned auto** rented by:
 - a. you; or
 - b. any **family member**;

if a rental vehicle company is precluded from recovering such loss or loss of use, from you or that **family member**, pursuant to the provisions of any applicable rental agreement or state law.
17. Loss to **your covered auto** or any **non-owned auto**, arising out of the actual, alleged or threatened presence, growth, proliferation or spread of **fungi**, dry rot or bacteria.
18. Loss to **your covered auto**, **non-owned auto**, or **trailer**, for **diminution in value**.
19. Loss in excess of \$1,000 per claim or the actual cash value of **your covered auto** or any **non-owned auto**, whichever is less, for any furnishings or equipment that were not installed by the original vehicle manufacturer or manufacturer's dealership which mechanically or structurally changes your vehicle and results in increase in performance or change in appearance, including but not limited to:
 - a. custom murals, paintings or other decals or graphics;
 - b. custom wheels, tachometers, pressure and temperature gauges;
 - c. modified or custom engines and fuel systems, light bars, racing slicks and/or oversized tires, roll bars and lift kits, winches, utility boxes, and tool boxes; or
 - d. non-standard paint.

This exclusion does not apply to equipment installed to make a vehicle handicap accessible.
20. Loss arising out of the use of **your covered auto** while leased or rented to others.
21. Loss to **your covered auto** or a **non-owned auto** caused by an intentional act by you or a **family member**, or at the direction of you or a **family member**. However, this exclusion does not apply to the ownership interest of a domestic violence victim.

LIMIT OF LIABILITY

- A. At our option, our limit of liability for loss will be the lowest of:
 1. The actual cash value of the stolen or damaged property;
 2.
 - a. The amount necessary to repair or replace the property;
 - b. Determination of the cost of repair or replacement will be based upon one of the following:
 - (1) the cost of repair or replacement agreed upon by you and us;
 - (2) a competitive bid approved by us; or
 - (3) an estimate written based upon the prevailing competitive price. You agree with us that we may

include in the estimate parts furnished by the original vehicle manufacturer or parts from other sources including non-original equipment manufacturers. The prevailing competitive price means prices charged by a majority of the repair market in the area where the vehicle is to be repaired as determined by us; or

3. The limit of liability shown in the Declarations.

However, the most we will pay for loss to any **non-owned auto**, which is a **trailer**, is \$1,500.

- B. An adjustment for depreciation and physical condition may be made based upon the physical condition and wear and tear of the property or damaged part of the property at the time of the loss. This adjustment for physical condition includes but is not limited to, broken, cracked or missing parts, rust, dents, scrapes, gouges and paint condition. When replacing parts normally subject to repair or replacement during the useful life of the vehicle, we will not pay for the amount of any betterment.

We may deduct for betterment:

1. If the deductions reflect a measurable decrease in market value attributable to the poorer condition of, or prior damage to, the vehicle.
2. If the deductions are for prior wear and tear, missing parts and rust damage that is reflective of the general overall condition of the vehicle considering its age. In this event, deductions may not exceed \$500.

PAYMENT OF LOSS

We may pay for loss in money or repair or replace the damaged or stolen property. We may, at our expense, return any stolen property to:

1. You; or

2. The address shown in this policy.

If we return stolen property we will pay for any damage resulting from the theft. We may keep all or part of the property at an agreed or appraised value.

If we pay for loss in money, our payment will include the applicable sales tax for the damaged or stolen property.

NO BENEFIT TO BAILEE

This insurance shall not directly or indirectly benefit an carrier or other bailee for hire.

OTHER SOURCES OF RECOVERY

If other sources of recovery also cover the loss, we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, any insurance we provide with respect to a non-owned auto shall be excess over any other collectible source of recovery including, but not limited to:

1. Any coverage provided by the owner of the **non-owned auto**;
2. Any other applicable physical damage insurance;
3. Any other source of recovery applicable to the loss.

APPRAISAL

- A. If we and you do not agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will select a competent appraiser. The two appraisers will select an umpire. The appraisers will state separately the actual cash value and the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the expenses of the appraisal and umpire equally.

- B. We do not waive any of our rights under this policy by agreeing to an appraisal.

PART E — DUTIES AFTER AN ACCIDENT OR LOSS

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- A. We must be notified promptly of how, when and where the accident or loss happened. Notice should also include the names and addresses of any injured persons and of any witnesses.
- B. A person seeking any coverage must:
 1. Cooperate with us in the investigation, settlement or defense of any claim or suit.

2. Promptly send us copies of any notices or legal papers received in connection with the accident or loss.
3. Submit, as often as we reasonably require:
 - a. to physical examinations by physicians we select. We will pay for these exams.
 - b. to examination under oath and subscribe the same. We may examine any **insured** separately and apart

from the presence of any other insured.

4. Authorize us to obtain:
 - a. medical reports; and
 - b. other pertinent records.
 5. Submit a proof of loss, under oath if requested, when required by us.
- C. A person seeking Uninsured/Underinsured Motorists Coverage must also:
1. Report the accident to the police or other civil authority within twenty-four (24) hours or as soon as practicable if a hit-and-run driver is involved.
 2. Promptly send us copies of the legal papers if a suit is brought.
- D. A person seeking Coverage for Damage to Your Auto must also:
1. Take reasonable steps after loss to protect **your covered auto** or any **non-owned auto** and its equipment from further loss.
- We will pay reasonable expenses incurred to do this.
2. Promptly notify the police if **your covered auto** or any **non-owned auto** is stolen.
 3. Permit us to inspect and appraise the damaged property before its repair or disposal.

PART F — GENERAL PROVISIONS

POLICY PERIOD AND TERRITORY

- A. This policy applies only to accidents and losses which occur:
1. During the policy period as shown in the Declarations; and
 2. Within the policy territory.
- B. The policy period is the period stated in the Declarations. The policy may be renewed for successive policy periods if the required premium is paid and accepted by us on or before the expiration of the current policy period. The premium will be computed at our then current rate for coverage then offered.
- C. The policy territory is:
1. The United States of America, its territories or possessions;
 2. Puerto Rico; or
 3. Canada.

This policy also applies to loss to, or accidents involving, **your covered auto** while being transported between their ports.

BANKRUPTCY

Bankruptcy or insolvency of the **insured** shall not relieve us of any obligations under this policy.

CHANGES

- A. This policy, your Declarations page and endorsements issued by us to this policy contain all the agreements between you and us. Its terms may not be changed or waived except by endorsement issued by us.
- B. The premium for your policy is based on information we have received from you or other sources. You agree to cooperate with us in determining if this information is correct and complete and you will notify us if it changes. If

this information is incorrect, incomplete, or changes during the policy term, we will adjust your premium or take other appropriate action based upon the corrected, completed or changed information. Changes during the policy term that will result in a premium increase or decrease during the policy term include, but are not limited to, changes in:

1. The number, type or use classification of insured vehicles.
2. Operators using insured vehicles including newly licensed **family member** drivers and any household members that have licenses.
3. The location where your vehicle is principally garaged.
4. Customized equipment or parts.

You also agree to disclose all licensed drivers residing in your household.

- C. If we make a change which broadens coverage under this edition of your policy without additional premium charge, that change will automatically apply to your policy as of the date we implement the change in your state. This paragraph (C.) does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:

1. A subsequent edition of your policy; or
2. An Amendatory Endorsement.

- D. Additional or return premium of \$3.00 or less resulting from policy changes will be waived.

PAYMENT OF PREMIUM

If your initial premium payment is by check, draft or any remittance other than cash, coverage under this

policy is conditioned upon the check, draft or remittance being honored upon presentment to the bank or other financial institution. If the check, draft or remittance is not honored upon presentment, this policy may, at our option, be deemed void from its inception. This means that we will not be liable under this policy for any claims or damages which would otherwise be covered if the check, draft, or remittance had been honored upon presentment.

FRAUD

This policy was issued in reliance upon the information provided on your application. We may void this policy if you or an **insured** have concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct, at the time application was made or any time during the policy period with the intent to deceive or materially affect acceptance.

We may void this policy or deny coverage for an accident or loss if you or an **insured** have concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct, in connection with the presentation or settlement of a claim.

We may void this policy or deny coverage for fraud or material misrepresentation even after the occurrence of an accident or loss. This means we will not be liable for any claims or damages which would otherwise be covered. If we make a payment, we may request that you reimburse us. If so requested, you must reimburse us for any payments we may have already made.

Our right to void this policy does not apply to policies in effect for one year or one policy term, whichever is less.

LEGAL ACTION AGAINST US

- A. No legal action may be brought against us until there has been full compliance with all the terms of this policy. In addition, under Part A, no legal action may be brought against us until:
 - 1. We agree in writing that the **insured** has a legal obligation to pay damages; or
 - 2. The amount of that obligation has been finally determined by judgment after trial.
- B. No person or organization has any right under this policy to bring us into any action to determine the legal liability of an **insured**.

OUR RIGHT TO RECOVER PAYMENT

- A. If we make a payment under this policy and the person to or for whom payment was made has a right to recover damages from another person, entity or organization we shall be subrogated to that right. That person shall:
 - 1. Do whatever is necessary to enable us to exercise our rights; and
 - 2. Do nothing after loss to prejudice them.

However, our rights in this paragraph (A.) do not apply under Part D, against any person using **your covered auto** with your express or implied permission or other person having lawful possession and is not using a vehicle beyond the scope of the permission granted.

For Underinsured Motorists Coverage, however, our rights in this paragraph (A.) do not apply if we:

- 1. Have been given written notice of a **tentative settlement**; and
- 2. Fail to advance payment to the **insured** in an amount equal to the **tentative settlement** within 30 days after receipt of notification.

If we advance payment to the **insured** in an amount equal to the **tentative settlement** within 30 days after receipt of notification:

- 1. That payment will be separate from any amount the **insured** is entitled to recover under the provisions of Underinsured Motorists Coverage.
 - 2. We also have a right to recover the advanced payment.
- B. If we make a payment under this policy and the person to or for whom payment is made recovers damages from another, that person shall:
- 1. Hold in trust for us the proceeds of the recovery; and
 - 2. Reimburse us to the extent of our payment.

For Underinsured Motorists Coverage, however, in the event of a **settlement agreement**, we shall be entitled to a recovery under paragraphs (A.) and (B.) only for amounts which exceed the limit of bodily injury liability bonds or policies applicable to the owner or operator of the **underinsured motor vehicle**.

TERMINATION

- A. **Cancellation.** This policy may be canceled during the policy period as follows:
 - 1. The named insured shown in the Declarations may cancel by:
 - a. returning this policy to us; or
 - b. giving us advance written or verbal notice of the date cancellation is to take effect. We may waive the requirement the notice be in writing by confirming the date and time of cancellation to you in writing.
 - 2. We may cancel by mailing to the named insured shown in the Declarations at the last mailing address known to us and such named insured's agent or broker of record:
 - a. at least 10 days notice if cancellation is for nonpayment of premium; or

- b. at least 30 days notice in all other cases.

The notice of cancellation must include a specific explanation of the reason for cancellation.

3. After this policy is in effect for 60 days, or if this is a renewal policy, we will cancel only:
 - a. for nonpayment of premium; or
 - b. for fraud or material misrepresentation concerning the policy or **insureds**; or
 - c. if your driver's license or that of:
 - (1) any driver who lives with you; or
 - (2) any driver who customarily uses **your covered auto**;

has been suspended or revoked during the policy period. This must have occurred during the 12 month period immediately preceding the notice of cancellation; or
 - d. if any **insured** has violated any of the terms or conditions of the policy.
 - e. if you failed to disclose fully your motor vehicle accidents and moving traffic violations for the preceding 36 months if called for in the application.
 - f. if any **insured** made a false or fraudulent claim or knowingly aided or abetted another in the presentation of such a claim;
 - g. if you or any other operator who either resides in the same household or customarily operates a vehicle insured under the policy:
 - (1) is or becomes subject to epilepsy or heart attacks, and such individual does not produce a certificate from a physician testifying to his unqualified ability to operate a motor vehicle safely.
 - (2) has an accident record, conviction record (criminal or traffic), physical or mental condition which is such that operating a vehicle might endanger the public safety.
 - (3) has, within the 36 months prior to the notice of cancellation, been addicted to the use of narcotics or other drugs.
 - (4) has been convicted, or forfeited bail, during the 36 months immediately preceding the notice of cancellation, for any felony,

criminal negligence resulting in death, homicide or assault arising out of the operation of a motor vehicle, operating a motor vehicle while in an intoxicated condition or while under the influence of drugs, being intoxicated while in or about, an automobile or while having custody of an automobile, leaving the scene of an accident without stopping to report, theft or unlawful taking of a motor vehicle, making false statements in an application for an operator's or chauffeur's license or has been convicted or forfeited bail for 3 or more violations within the 12 months immediately preceding the notice of cancellation of any law, ordinance, or regulation limited the speed of motor vehicles or any of the provisions of the motor vehicle laws of any state, violation of which constitutes a misdemeanor, whether or not the violations were repetitions of the same offense or different offenses.

- h. if **your covered auto** is:

- (1) so mechanically effective that its operation might endanger the public safety.
- (2) used in carrying passengers for hire or compensation (this does not include a share-the-expense car pool).
- (3) used in the business or transportation of flammables or explosives.
- (4) an authorized emergency vehicle.
- (5) changed in shape or condition during the policy period so as to increase the risk substantially.
- (6) subject to an inspection law and has not been inspected or, if inspected, has failed to qualify.

- B. **Nonrenewal.** If we decide not to renew this policy, we will mail notice to the named insured shown in the Declarations at the address last known by us and to such named insured's agent or broker of record. Notice will be mailed at least 30 days before the end of the policy period and will include a specific explanation of the reasons for nonrenewal. If this policy has been in effect

for 5 years or more, we will only nonrenew the policy if we:

1. Mail you notice of our intent 60 days prior to the expiration date; or
2. Are otherwise permitted to by Illinois Law.

We may only nonrenew for the same reasons as listed under Cancellation above.

- C. Automatic Termination.** If we offer to renew and you or your representative do not accept, this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal premium when due shall mean that you have not accepted our offer.

Coverage for **your covered auto** shall automatically terminate on the effective date of any other motor vehicle insurance policy covering that vehicle.

D. Other Termination Provisions.

1. If the law in effect in your state at the time this policy is issued or renewed:
 - a. requires a longer notice period;
 - b. requires a special form of or procedure for giving notice; or
 - c. modifies any of the stated termination reasons;
 we will comply with those requirements.
2. Proof of mailing of any notice shall be sufficient proof of notice.
3. If this policy is canceled, you may be entitled to a premium refund. If so, we will send you the refund. The premium refund, if any, will be computed according to our manuals. However, making or offering to make the refund is not a condition of cancellation.
4. The effective date of cancellation stated in the notice shall become the end of the policy period.
5. We will give the same advance notice of cancellation or nonrenewal to the loss payee stated in the policy as we give to the named insured shown in the Declarations.

TRANSFER OF YOUR INTEREST IN THIS POLICY

- A.** Your rights and duties under this policy may not be assigned without our written consent. However, if a named insured shown in the Declarations dies, coverage will be provided for:
1. The surviving spouse, civil partner or **domestic partner** if resident in the same

household at the time of death. Coverage applies to the spouse, civil partner or **domestic partner** as if a named insured shown in the Declarations; and

2. The legal representative of the deceased person as if a named insured shown in the Declarations. This applies only with respect to the representative's legal responsibility to maintain or use **your covered auto**.

- B.** Coverage will only be provided until the end of the policy period.

TWO OR MORE AUTOS INSURED; TWO OR MORE AUTO POLICIES

If this policy insures two or more autos or if any other auto insurance policy issued to you by us applies to the same accident, the maximum limit of our liability shall not exceed the highest limit applicable to any one auto. In no event shall the limit of liability of two or more motor vehicles or two or more policies be added together, combined, or stacked to determine the limit of insurance coverage available to you or any **insured**.

LOSS PAYABLE CLAUSE

As to the interest of the loss payee, this policy will remain in effect from the inception date and until ten days after proof of mailing that the cancellation notice has been mailed to the loss payee. When we pay the loss payee we shall, to the extent of payment, have the loss payee's rights of recovery.

Where fraud, misrepresentation, material omission, or intentional damage has been committed by or at the direction of any **insured**, or where the loss is otherwise not covered under the terms of the policy, the loss payee or lienholder's interest will only be protected to the extent of the loss payee's interest in the covered auto.

STORAGE COSTS

If you give us your consent, we may move the damaged property, at our expense, to reduce storage costs during the claims process. If you do not give us your consent, we will pay only the storage costs which would have resulted if we had moved the damaged property.

NAMED DRIVER EXCLUSION

If there is an excluded driver under this policy, then we will not provide coverage for any claim arising from an accident or loss involving a motor vehicle being operated by that excluded person. This includes any claim for damages made against you or any **family member** or any other person or organization that is vicariously liable for an accident arising out of the operation of a motor vehicle by the excluded driver.

ADDITIONAL COVERAGES

AGREEMENT: WE WILL PROVIDE THE INSURANCE DESCRIBED IN EACH OF THE FOLLOWING ADDITIONAL COVERAGES ONLY IF INDICATED IN THE DECLARATIONS.

PROPERTY DAMAGE UNINSURED MOTORISTS COVERAGE

We will pay damages which you are legally entitled to recover from the owner or operator of an **uninsured motor vehicle** because of **property damage** caused by an accident arising out of actual physical contact with **your covered auto**. The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the **uninsured motor vehicle**.

Any judgment for damages arising out of a suit brought without our written consent is not binding on us.

"**Property damage**" as used in this coverage means injury to or destruction of **your covered auto**. However, **property damage** does not include:

1. Loss of use of **your covered auto**; or
2. Damage to personal property contained in **your covered auto** other than a child restraint system that:
 - a. meets the applicable standards of the Illinois Child Passenger Protection Act; and
 - b. was in use by the child at the time of the accident for which this coverage applies.

"**Uninsured motor vehicle**" means a land motor vehicle or **trailer** of any type:

1. To which no liability bond or policy affording coverage for **property damage** applies at the time of the accident.
2. To which a liability bond or policy affording coverage for **property damage** applies at the time of the accident. In this case, its limit for property damage liability is less than the **minimum limit** for property damage liability specified by the Illinois Safety Responsibility Law.
3. To which a liability bond or policy affording coverage for **property damage** applies at the time of the accident but the bonding or insuring company:
 - a. denies coverage; or
 - b. is or becomes insolvent.

However, "**uninsured motor vehicle**" does not include any vehicle or equipment:

1. Owned by or furnished or available for the regular use of you or any **family member**.

2. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.
3. Owned by any governmental unit or agency.
4. Operated on rails or crawler treads.
5. Designed mainly for use off public roads while not on public roads.
6. While located for use as a residence or premises.

EXCLUSIONS

A. We do not provide Uninsured Motorists Coverage for **property damage**:

1. If you or your legal representative settles the **property damage** claim without our consent.
2. When **your covered auto** is being used as a public or livery conveyance. This exclusion (A.2.) does not apply to a share-the-expense car pool.
3. For the first \$250 of the amount of the **property damage** to each of your **covered autos** as the result of any one accident.
4. To any motor vehicle owned by you for which you have purchased Collision Coverage under this policy or any other policy.
5. If the owner or operator of the **uninsured motor vehicle** cannot be identified.
6. While using any vehicle while employed in the pickup or delivery of newspapers or magazines, food or any products for the purpose of compensation. This exclusion does not apply to delivery that is incidental to an **insured's business**.
7. While using a vehicle without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted. However, this exclusion does not apply to you or any **family member** using **your covered auto**.
8. While using any vehicle while it is:
 - a. operating on a surface designed or used for racing except for an organized and controlled event that is not a speed, performance, stunt or demolition event;

- b. participating in a high performance driving or racing instruction course or school; or
 - c. preparing for, practicing for, used in, or competing in any prearranged, or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.
- B. This coverage shall not apply directly or indirectly to benefit any insurer of the property.
- C. We do not provide Property Damage Uninsured Motorists Coverage for **punitive or exemplary damages**.

LIMIT OF LIABILITY

Our maximum limit of liability for all damages resulting from any one accident will be the lesser of:

- 1. The limit of liability shown in the Declarations; or
- 2. The actual cash value of **your covered auto**.

This is the most we will pay, regardless of the number of:

- 1. Claims made;
- 2. Vehicles or premiums shown in the Declarations; or
- 3. Vehicles involved in the accident.

An adjustment for depreciation and physical condition may be made based upon the physical condition and wear and tear of the property or damaged part of the property at the time of the loss. This adjustment for physical condition includes but is not limited to, broken cracked or missing parts, rust, dents, scrapes, gouges and paint condition. When replacing parts normally subject to repair or replacement during the useful life of the vehicle, we will not pay for the amount of any betterment.

We may deduct for betterment:

- 1. If the deductions reflect a measurable decrease in market value attributable to the poorer condition of, or prior damage to, the vehicle.
- 2. If the deductions are for prior wear and tear, missing parts and rust damage that is reflective of the general overall condition of the vehicle considering its age. In this event, deductions may not exceed \$500.

We will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.

OTHER INSURANCE

If there is other applicable similar insurance we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, any insurance we provide with respect to a vehicle you do not own shall be excess over any other collectible insurance.

ARBITRATION

A. If we and an **insured** do not agree:

- 1. Whether that person is legally entitled to recover damages under this part; or
- 2. As to the amount of damages;

either party may make a written demand for arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third. If such arbitrators are not selected within 45 days, either party may request that the arbitration be submitted to the American Arbitration Association.

B. We will bear all the expenses of the arbitration except when the **insured's** recovery exceeds the **minimum limit** specified in the Illinois Safety Responsibility Law. If this occurs, the insured will be responsible up to the amount by which the **insured's** recovery exceeds the statutory minimum for:

- 1. Payment of his or her expenses; and
- 2. An equal share of the third arbitrator's expenses.

C. Unless both parties agree otherwise, arbitration will take place in the county in which the **insured** lives.

If arbitration is submitted to the American Arbitration Association, then the American Arbitration Association rules shall apply to all matters except medical opinions. As to medical opinions, if the amount of damages being sought:

- 1. Is equal to or less than the minimum limit for bodily injury liability specified by the Illinois Safety Responsibility Law, then the American Arbitration Association rule shall apply.
- 2. Exceeds the minimum limit for bodily injury liability specified by the Illinois Safety Responsibility Law, then rules of evidence that apply in the circuit court for placing medical opinions into evidence shall apply.

In all other cases, local rules of law as to procedure and evidence shall apply.

D. A decision agreed to by two of the arbitrators will be binding as to:

- 1. Whether the **insured** is legally entitled to recover damages; and

2. The amount of damages. This applies only if the amount does not exceed the minimum limit for bodily injury liability specified by the Illinois Safety Responsibility Law. If the amount exceeds that limit, either party may demand the right to a trial. This demand must be made within 60 days of the arbitrators' decision. If this demand is not made, the amount of damages agreed to by the arbitrators will be binding.

ADDITIONAL DUTIES AFTER AN ACCIDENT OR LOSS

A person seeking Property Damage Uninsured Motorists Coverage must also:

1. Promptly send us copies of the legal papers if a suit is brought.
2. Provide us with:
 - a. The name and address of the owner of the **uninsured motor vehicle**; or
 - b. The registration number or description of such vehicle; or
 - c. Any other available information to establish that there is no applicable motor vehicle property damage liability insurance.

ROADSIDE ASSISTANCE COVERAGE CALL 1-877-ROAD 101 (1-877-762-3101)

"Your covered auto" as used in this endorsement means a private passenger vehicle, motor home or **trailer** owned by you and for which a specific premium is shown on the Declarations for this coverage.

The following coverages apply to each vehicle for which this coverage is shown on the Policy Declarations:

1. Each time **your covered auto** or any **non-owned auto** is disabled due to mechanical or electrical breakdown we will pay reasonable and necessary expenses for the use of an **authorized service provider** to tow or flatbed **your covered auto** or **non-owned auto** up to 10 miles or to the nearest qualified place where necessary repairs can be made during regular **business** hours.
2. Each time **your covered auto** or any **non-owned auto** is disabled requiring:
 - a. Towing to dislodge the vehicle from its place of disablement within 100 feet of a public street or highway; or

- b. Labor, including change of tire, at the place of its breakdown; or
- c. Delivery of fuel, oil, water or other fluids (we do not pay the costs of these items); or
- d. Key lock-out services;

we will cover up to one (1) hour of labor for the use of an **authorized service provider** for service at the place of disablement.

3. Coverage is limited to no more than two occurrences per vehicle plus an additional two occurrences per policy in a 6 month policy period for both coverages 1. and 2., above.

Authorized service provider means a service provider contracted by us providing, at no charge to you, roadside assistance as described and limited above.

When service is provided by other than an **authorized service provider**, we will reimburse you only for reasonable charges as determined by us.

No deductible applies to this coverage.

LOSS OF USE COVERAGE

The provisions and exclusions that apply to Part D — Coverage for Damage to Your Auto also apply to this coverage except as changed below:

When there is a loss to any vehicle described in the Declarations for which a specific premium charge indicates that Loss of Use Coverage is afforded, we will reimburse you for expenses you incur to rent a substitute vehicle.

This coverage applies only if:

1. The vehicle is withdrawn from use for more than 24 hours;
2. The loss is caused by **collision**, or is covered by the Comprehensive Coverage of this policy; and
3. The loss exceeds the appropriate **collision** or **comprehensive** deductible applying to the vehicle.

However, this coverage does not apply to losses caused by **collision** if Collision Coverage does not apply to the vehicle.

Our payment will be limited to that period of time reasonably required to repair or replace the vehicle. We will pay up to the amount per day and the maximum shown for Loss of Use in the Declarations.

No deductible applies to this coverage.

FULL SAFETY GLASS COVERAGE

We will pay under Comprehensive Coverage for the cost of repairing or replacing damaged **safety equipment** on **your covered auto** without a deductible. We will pay only if:

1. The Declarations indicates that Comprehensive Coverage applies; and

2. A specific premium charge for Full Safety Glass Coverage is shown in the Declarations for **your covered auto**.

"Safety equipment", as used in this coverage means the:

1. Glass used in the windshield, doors and windows of **your covered auto**; and
2. Glass, plastic or other material used in the lights of **your covered auto**.



ILLINOIS PERSONAL AUTO POLICY

SAFECO INSURANCE COMPANY OF ILLINOIS
 INSURANCE COMPANY OF ILLINOIS
 Home Office: 2800 W. Higgins Rd., Suite 1100, Hoffman Estates, Illinois 60195
 SAFECO INSURANCE COMPANY OF AMERICA
 FIRST NATIONAL INSURANCE COMPANY OF AMERICA
 GENERAL INSURANCE COMPANY OF AMERICA
 Home Office: 4333 Brooklyn Ave. N.E., Seattle, Washington 98185
 SAFECO NATIONAL INSURANCE COMPANY
 Home Office: 1400 South Highway Drive, Suite 100, Fenton, MO 63026
 SAFECO INSURANCE COMPANY OF INDIANA
 Home Office: 500 North Meridian Street, Indianapolis, Indiana 46204
 (Each a stock insurance company.)

READY REFERENCE TO YOUR AUTO POLICY

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AGREEMENT

In return for payment of the premium and subject to all the terms of this policy, we agree with you as follows:

DEFINITIONS

A. Throughout this policy, "you" and "your" refer to:

1. The "named insured" shown in the Declarations; and
2. The spouse if a resident of the same household.

B. "We," "us" and "our" refer to the Company providing this insurance.

C. For purposes of this policy, a private passenger type auto shall be deemed to be owned by a person if leased:

1. Under a written agreement to that person; and
2. For a continuous period of at least six months.

Other words and phrases are defined. They are in bold type when used.

D. "**Bodily injury**" means bodily harm, sickness or disease, including death that results.

E. "**Business**" includes trade, profession or occupation.

F. "**Family member**" means a person related to you by blood, marriage or adoption who is a resident of your household. This includes a ward or foster child who is a resident of your household.

G. "**Occupying**" means in; upon; or getting in, on, out or off.

H. "**Property damage**" means physical injury to, destruction of or loss of use of tangible property.

I. "**Punitive or exemplary damages**" include damages which are awarded to punish or deter wrongful conduct, to set an example, to fine, penalize or impose a statutory penalty, and damages which are awarded for any purpose other than as compensatory damages for **bodily injury** or **property damage**.

J. "**Trailer**" means a vehicle designed to be pulled by a:

1. Private passenger auto; or
2. Pickup, van or motor home.

It also means a recreational camping vehicle, a farm wagon or farm implement while towed by a vehicle listed in 1. or 2. above.

K. "**Your covered auto**" means:

1. Any vehicle shown in the Declarations.
2. Any of the following types of vehicles on the date you become the owner, whether operational or not:

- a. a private passenger auto;
- b. a pickup or van that:

(1) has a Gross Vehicle Weight of less than 10,000 lbs.; and

(2) is not used for the delivery or transportation of goods and materials unless such use is:

(a) incidental to your **business** of installing, maintaining or repairing furnishings or equipment; or

(b) for farming or ranching; or

c. a motor home or **trailer**.

If the vehicle you acquire replaces one shown in the Declarations, it will have the same coverage as the vehicle it replaced.

If the vehicle you acquire is in addition to any shown in the Declarations, it will have the broadest coverage we now provide for any vehicle shown in the Declarations.

This provision (K.2.) applies only if you ask us to insure the newly acquired vehicle during the policy period in which it was acquired or within thirty days after you become the owner, whichever is greater.

3. Any **trailer** you own.

4. Any auto or **trailer** you do not own while used as a temporary substitute for any other vehicle described in this definition which is out of normal use because of its:

- a. breakdown;
- b. repair;
- c. servicing;
- d. loss; or
- e. destruction.

This provision (K.4.) does not apply to Coverage for Damage to Your Auto.

PART A — LIABILITY COVERAGE

INSURING AGREEMENT

A. We will pay damages for **bodily injury** or **property damage** for which any **insured** becomes legally responsible because of an auto accident. We will settle or defend, as we consider appropriate, any claim or suit asking for these damages. In addition to our limit of liability, we will pay all defense costs we incur. Our duty to settle or defend ends when our limit of liability for this coverage has been exhausted. We have no duty to defend any suit or settle any claim for **bodily injury** or **property damage** not covered under this policy.

B. "Insured" as used in this Part means:

1. You or any **family member** for the ownership, maintenance or use of any auto or **trailer**.
2. Any person using **your covered auto**.
3. For **your covered auto**, any person or organization but only with respect to legal responsibility for acts or omissions of a person for whom coverage is afforded under 1. and 2. above.
4. For any auto or **trailer**, other than **your covered auto**, any other person or organization but only with respect to legal responsibility for acts or omissions of you or any **family member** for whom coverage is afforded under this Part. This provision (B.4.) applies only if the person or organization does not own or hire the auto or **trailer**.

SUPPLEMENTARY PAYMENTS

In addition to our limit of liability, we will pay on behalf of an **insured**:

1. Up to \$250 for the cost of bail bonds required because of an accident, including related traffic law violations. The accident must result in **bodily injury** or **property damage** covered under this policy. We are not obligated to apply for or furnish such bonds.
2. Premiums on appeal bonds and bonds to release attachments in any suit we defend.
3. Interest on that part of the judgment we pay, accruing after a judgment is entered in any suit we defend. Our duty to pay interest ends when we offer to pay that part of the judgment which does not exceed our limit of liability for this coverage.
4. Up to \$50 a day for loss of earnings, but not other income, because of attendance at hearings or trials at our request.

5. Other reasonable expenses incurred at our request.

EXCLUSIONS

A. We do not provide Liability Coverage for any person:

1. Who intentionally causes **bodily injury** or **property damage**.
2. For **property damage** to property owned or being transported by that person.
3. For **property damage** to property:
 - a. rented to;
 - b. used by; or
 - c. in the care of;
 that person.

This exclusion (A.3.) does not apply to **property damage** to a residence or private garage.

4. For **bodily injury** to an employee of that person during the course of employment. This exclusion (A.4.) does not apply to **bodily injury** to a domestic employee unless workers' compensation benefits are required or available for that domestic employee.
5. For that person's liability arising out of the ownership or operation of a vehicle while it is being used as a public or livery conveyance. This exclusion (A.5.) does not apply to a share-the-expense car pool.
6. While employed or otherwise engaged in the **business** or occupation of:

- a. selling;
- b. repairing;
- c. servicing;
- d. storing; or
- e. parking;

vehicles designed for use mainly on public highways. This includes road testing and delivery. This exclusion (A.6.) does not apply to the ownership, maintenance or use of **your covered auto** by:

- a. you;
- b. any **family member**; or
- c. any partner, agent or employee of you or any **family member**; or
- d. any other person.

7. Maintaining or using any vehicle while that person is employed or otherwise engaged in any **business** or occupation (other than farming or ranching) not described in Exclusion A.6. This exclusion (A.7.) does not apply to the maintenance or use of a:
 - a. private passenger auto;
 - b. pickup, motor home or van that:
 - (1) you own; or
 - (2) you do not own while used as a temporary substitute for **your covered auto** which is out of normal use because of its:
 - (a) breakdown;
 - (b) repair;
 - (c) servicing;
 - (d) loss; or
 - (e) destruction; or
 - c. **trailer** used with a vehicle described in a. or b. above.
 8. Using a vehicle without a reasonable belief that that person has permission to do so. This exclusion (A.8.) does not apply to a **family member** using **your covered auto** which is owned by you.
 9. For **bodily injury or property damage** for which that person:
 - a. is an insured under a nuclear energy liability policy; or
 - b. would be an insured under a nuclear energy liability policy but for its termination upon exhaustion of its limit of liability.

A nuclear energy liability policy is a policy issued by any of the following or their successors:

 - a. American Nuclear Insurers;
 - b. Mutual Atomic Energy Liability Underwriters; or
 - c. Nuclear Insurance Association of Canada.
 10. For **punitive or exemplary damages** awarded against an **insured**. However, if a suit is brought against an **insured** arising out of a claim for acts or alleged acts covered under Part A of the policy, we will provide a defense to such action without liability for **punitive or exemplary damages**.
 11. For **bodily injury** to you or any **family member**. However, this exclusion does not apply:
 - a. to the maintenance or use of **your covered auto** by any person other than you or any **family member**; or
 - b. when a third party acquires a right of contribution against you or any **family member**.
- B. We do not provide Liability Coverage for the ownership, maintenance or use of:**
1. Any vehicle which:
 - a. has fewer than four wheels; or
 - b. is designed mainly for use off public roads.

This exclusion does not apply:

 - a. while such vehicle is being used by an **insured** in a medical emergency; or
 - b. to any **trailer**.
 2. Any vehicle, other than **your covered auto**, which is:
 - a. owned by you; or
 - b. furnished or available for your regular use.
 3. Any vehicle, other than **your covered auto**, which is:
 - a. owned by any **family member**; or
 - b. furnished or available for the regular use of any **family member**.

However, this exclusion (B.3.) does not apply to you while you are maintaining or **occupying** any vehicle which is:

 - a. owned by a **family member**; or
 - b. furnished or available for the regular use of a **family member**.
 4. Any vehicle, located inside a facility designed for racing, for the purpose of:
 - a. competing in; or
 - b. practicing or preparing for;

any prearranged or organized racing or speed contest.

LIMIT OF LIABILITY

- A. If the Declarations indicate Individual Coverages apply:**

The limit of liability shown in the Declarations for each person for Bodily Injury Liability is our maximum limit of liability for all damages, including damages for care and loss of services (including loss of consortium and wrongful death), arising out of **bodily injury** sustained by any one person in any one auto accident.

Subject to this limit for each person, the limit of liability shown in the Declarations for each accident for Bodily Injury Liability is our maximum limit of liability for all damages for **bodily injury** resulting from any one auto accident.

The limit of liability shown in the Declarations for each accident for Property Damage Liability is our maximum limit of liability for all **property damage** resulting from any one accident.

This is the most we will pay regardless of the number of:

1. Insureds;
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the auto accident.

B. If the Declarations indicate Combined Single Limit applies:

The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for all damages resulting from any one auto accident. This is the most we will pay regardless of the number of:

1. Insureds;
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the auto accident.

We will apply the limit of liability to provide any separate limits required by law for bodily injury and property damage liability. However, this provision will not change our total limit of liability.

C. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part B or Part C of this policy.

OUT OF STATE COVERAGE

If an auto accident to which this policy applies occurs in any state or province other than the one in which **your covered auto** is principally garaged, we will interpret your policy for that accident as follows:

A. If the state or province has:

1. A financial responsibility or similar law specifying limits of liability for **bodily injury** or **property damage** higher than the limit shown in the Declarations, your policy will provide the higher specified limit.

2. A compulsory insurance or similar law requiring a nonresident to maintain insurance whenever the nonresident uses a vehicle in that state or province, your policy will provide at least the required minimum amounts and types of coverage.

B. No one will be entitled to duplicate payments for the same elements of loss.

FINANCIAL RESPONSIBILITY

When this policy is certified as future proof of financial responsibility, this policy shall comply with the law to the extent required.

OTHER INSURANCE

If there is other applicable liability insurance:

1. We will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits.
2. Any insurance we provide for a vehicle you do not own shall be excess over any other collectible insurance. However, any insurance we provide for a vehicle you do not own shall be primary if:
 - a. The limit of liability shown in the Declarations is equal to or greater than:
 - (1) \$100,000 for **bodily injury** to any one person in any one accident;
 - (2) Subject to this limit per person, \$300,000 for **bodily injury** to two or more people in any one accident; and
 - (3) \$50,000 for **property damage**;
 - b. Such vehicle is loaned by a person, firm or corporation engaged in the **business** of selling motor vehicles; and
 - c. Such vehicle is used as a temporary substitute for **your covered auto** which is out of normal use because of its breakdown, repair or servicing.

PART B — MEDICAL PAYMENTS COVERAGE

INSURING AGREEMENT

A. We will pay the usual and customary charges incurred for reasonable and necessary medical and funeral expenses because of **bodily injury:**

1. Caused by accident; and
2. Sustained by an **insured**.

We will pay only those expenses incurred for services rendered within 3 years from the date of the accident.

B. "Insured" as used in this Part means:

1. You or any **family member**:
 - a. while **occupying**; or
 - b. as a pedestrian when struck by;
a motor vehicle designed for use mainly on public roads or a **trailer** of any type.

Also, you or any **family member** while **occupying** a bicycle when struck by a motor vehicle designed for use mainly on public roads or by a **trailer** of any type.
2. Any other person while **occupying**:
 - a. **your covered auto**; or
 - b. any other auto operated by:
 - (1) you; or
 - (2) a **family member**, if the auto is a private passenger auto or **trailer**.

EXCLUSIONS

We do not provide Medical Payments Coverage for any person for **bodily injury**:

1. Sustained while **occupying** any motorized vehicle having fewer than four wheels.
2. Sustained while **occupying your covered auto** when it is being used as a public or livery conveyance. This exclusion (2.) does not apply to a share-the-expense car pool.
3. Sustained while **occupying** any vehicle located for use as a residence or premises.
4. Occurring during the course of employment if workers' compensation benefits are required or available for the **bodily injury**.
5. Sustained while **occupying**, or when struck by, any vehicle (other than **your covered auto**) which is:
 - a. owned by you; or
 - b. furnished or available for your regular use.
6. Sustained while **occupying**, or when struck by, any vehicle (other than **your covered auto**) which is:
 - a. owned by any **family member**; or
 - b. furnished or available for the regular use of any **family member**.

However, this exclusion (6.) does not apply to you.
7. Sustained while **occupying** a vehicle without a reasonable belief that that person has permission to do so.
8. Sustained while **occupying** a vehicle when it is being used in the **business** or occupation of an **insured**. This exclusion (8.) does

not apply to **bodily injury** sustained while **occupying** a:

- a. private passenger auto;
 - b. pickup, van or motor home that you own; or
 - c. **trailer** used with a vehicle described in a. or b. above.
9. Caused by or as a consequence of:
 - a. discharge of a nuclear weapon (even if accidental);
 - b. war (declared or undeclared);
 - c. civil war;
 - d. insurrection; or
 - e. rebellion or revolution.
 10. From or as a consequence of the following, whether controlled or uncontrolled or however caused:
 - a. nuclear reaction;
 - b. radiation; or
 - c. radioactive contamination.
 11. Sustained while **occupying** any auto not owned by, or furnished or available for the regular use of, you or any **family member** when it is being used as a public or livery conveyance. However, this exclusion does not apply to:
 - a. a share-the-expense car pool; or
 - b. you or any **family member**.
 12. Sustained while **occupying** any vehicle located inside a facility designed for racing, for the purpose of:
 - a. competing in; or
 - b. practicing or preparing for;

any prearranged or organized racing or speed contest.

LIMIT OF LIABILITY

- A. The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for each person injured in any one accident. This is the most we will pay regardless of the number of:
 1. **Insureds**;
 2. Claims made;
 3. Vehicles or premiums shown in the Declarations; or
 4. Vehicles involved in the accident.
- B. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part A or Part C of this policy.

OTHER INSURANCE

If there is other applicable auto medical payments insurance we will pay only our share of the loss. Our share is the proportion that our limit of liability

bears to the total of all applicable limits. However, any insurance we provide with respect to a vehicle you do not own shall be excess over any other collectible auto insurance providing payments for medical or funeral expenses.

PART C — UNINSURED/UNDERINSURED MOTORISTS COVERAGE

INSURING AGREEMENT

- A. We will pay damages which an **insured** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** or **underinsured motor vehicle** because of **bodily injury**:

1. Sustained by an **insured**; and
2. Caused by an accident.

The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the **uninsured motor vehicle** or **underinsured motor vehicle**.

We will pay under Underinsured Motorists Coverage only after the limits of liability under any applicable bodily injury liability bonds or policies have been exhausted by payment of judgments or settlements, unless:

1. We have been given written notice of a **tentative settlement** and decide to advance payment to the **insured** in an amount equal to that settlement; or
2. We and an **insured** have reached a **settlement agreement**.

Any judgment for damages arising out of a suit brought without our written consent is not binding on us.

- B. "**Insured**" as used in this Part means:

1. You or any **family member**.
2. Any other person **occupying**:
 - a. **your covered auto**; or
 - b. any other auto operated by you.
3. Any person for damages that person is entitled to recover because of **bodily injury** to which this coverage applies sustained by a person described in 1. or 2. above.

- C. "**Tentative settlement**" means an offer from the owner or operator of the **underinsured motor vehicle** to compensate an **insured** for damages incurred because of **bodily injury** sustained in an accident involving the **underinsured motor vehicle**.

- D. "**Settlement agreement**" means we and an **insured** agree that the **insured** is legally entitled to recover from the owner or operator of the **underinsured motor vehicle**, damages for **bodily injury** and, without arbitration, agree also as to the amount of damages. Such agreement shall

be final and binding regardless of any subsequent judgment or settlement reached by the **insured** with the owner or operator of the **underinsured motor vehicle**.

- E. "**Uninsured motor vehicle**" means a land motor vehicle or **trailer** of any type:

1. To which no bodily injury liability bond or policy applies at the time of the accident.
2. To which a bodily injury liability bond or policy applies at the time of the accident if its limit for bodily injury liability is less than the minimum limit for bodily injury liability specified by the Illinois Safety Responsibility Law.
3. Which is a hit-and-run vehicle whose operator or owner cannot be identified and which hits or causes an object to hit:
 - a. you or any **family member**;
 - b. a vehicle which you or any **family member** are **occupying**; or
 - c. **your covered auto**.

If there is no physical contact with the hit-and-run vehicle the facts of the accident must be proved.

4. To which a bodily injury liability bond or policy applies at the time of the accident, but the bonding or insuring company:
 - a. denies coverage; or
 - b. is or becomes insolvent.

However, **uninsured motor vehicle** does not include any vehicle or equipment:

1. Owned by or furnished or available for the regular use of you or any **family member** unless it is a **your covered auto** to which Part A of the policy applies and liability coverage is excluded for damages sustained in the accident.
2. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.
3. Owned by any governmental unit or agency.
4. Operated on rails or crawler treads.
5. Designed mainly for use off public roads while not on public roads.
6. While located for use as a residence or premises.

- F. "Underinsured motor vehicle" means a land motor vehicle or **trailer** of any type to which a bodily injury liability bond or policy applies at the time of the accident but its limit for bodily injury liability is less than the limit of liability for this coverage.

However, **underinsured motor vehicle** does not include any vehicle or equipment:

1. Which is an **uninsured motor vehicle**.
2. Owned by or furnished or available for the regular use of you or any **family member**.
3. Owned by any governmental unit or agency.
4. Operated on rails or crawler treads.
5. Designed mainly for use off public roads while not upon public roads.
6. While located for use as a residence or premises.
7. Owned or operated by a person qualifying as a self-insurer under any applicable motor vehicle law.
8. To which a bodily injury liability bond or policy applies at the time of the accident but the bonding or insuring company:
 - a. denies coverage; or
 - b. is or becomes insolvent.

EXCLUSIONS

- A. We do not provide Uninsured/Underinsured Motorists Coverage for **bodily injury** or **property damage** sustained:

1. By an **insured** while **occupying**, or when struck by, any motor vehicle owned by that **insured** which is not insured for this coverage under this policy. This includes a **trailer** of any type used with that vehicle.
2. By any **family member** while **occupying**, or when struck by, any motor vehicle you own which is insured for this coverage on a primary basis under any other policy.

- B. We do not provide Uninsured/Underinsured Motorists Coverage for **bodily injury** sustained by any person:

1. If that person or the legal representative settles the **bodily injury** claim without our consent.
2. While **occupying your covered auto** when it is being used as a public or livery conveyance. However, this exclusion does not apply to:
 - a. a share-the-expense car pool; or
 - b. you or any **family member**.
3. Using a vehicle without a reasonable belief that that person has permission to do so. This exclusion (B.3.) does not apply to a

family member using **your covered auto** which is owned by you.

4. While **occupying** or operating an owned motorcycle or moped.

5. While **occupying** any auto not owned by, or furnished or available for the regular use of, you or any **family member** when it is being used as a public or livery conveyance. However, this exclusion does not apply to:
 - a. a share-the-expense car pool; or
 - b. you or any **family member**.

- C. This coverage shall not apply directly or indirectly to benefit any insurer or self-insurer under any of the following or similar law:

1. Workers' compensation law; or
2. Disability benefits law.

- D. We do not provide Uninsured/Underinsured Motorists Coverage for **punitive or exemplary damages**.

LIMIT OF LIABILITY

- A. The limit of liability shown in the Declarations for each person for Uninsured/Underinsured Motorists Coverage is our maximum limit of liability for all damages including damages for care and loss of services (including loss of consortium and wrongful death), arising out of **bodily injury** sustained by any one person in any one accident.

Subject to this limit for each person, the limit of liability shown in the Declarations for each accident for Uninsured/Underinsured Motorists Coverage is our maximum limit of liability for all damages for **bodily injury** resulting from any one accident.

This is the most we will pay regardless of the number of:

1. **Insureds**;
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the accident.

- B. Except in the event of a **settlement agreement**, the limit of liability for Underinsured Motorists Coverage shall be reduced by all sums paid because of the **bodily injury** by or on behalf of persons or organizations who may be legally responsible. This includes all sums paid under Part A of this policy.

- C. In the event of a **settlement agreement**, the maximum limit of liability for Underinsured Motorists Coverage shall be the amount by which the limit of liability for this coverage exceeds the limits of bodily injury liability bonds or policies applicable to the owner or operator of the **underinsured motor vehicle**.

D. For Uninsured Motorists Coverage:

1. Any amounts otherwise payable for damages under this Part shall be reduced by all sums paid or payable because of the **bodily injury** under any of the following or similar law:
 - a. workers' compensation law; or
 - b. disability benefits law.
2. Any payment under this Part will reduce any amount that person is entitled to recover under Part A of this policy.
3. No one will be entitled to receive duplicate payments for the same elements of loss.

E. For Underinsured Motorists Coverage:

1. The limit of liability for Underinsured Motorists Coverage shall be reduced by all sums:
 - a. paid or payable because of the **bodily injury** under any automobile medical payments coverage. This includes all sums paid under Part B of this policy.
 - b. paid or payable because of the **bodily injury** under any of the following or similar law:
 - (1) workers' compensation law; or
 - (2) disability benefits law.

However, this paragraph shall not apply to disability benefits received under the Federal Social Security Act.

2. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part A, Part B or Part C of this policy.
3. We will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.
4. We will not pay for any element of loss if a person is entitled to receive payment for the same element of loss under any of the following or similar law:
 - a. workers' compensation law; or
 - b. disability benefits law.

However, this shall not apply to disability benefits received under the Federal Social Security Act.

OTHER INSURANCE**A. For Uninsured Motorists Coverage only:**

If there is other applicable similar insurance available under more than one policy or provision of coverage:

1. Any recovery for damages for **bodily injury** sustained by an **insured** may equal but not exceed the higher of the applicable limit for

any one vehicle under this insurance or any other insurance.

2. Any insurance we provide with respect to a vehicle you do not own shall be excess over any other collectible insurance.
3. We will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits.

B. For Underinsured Motorists Coverage only:

If there is other applicable insurance available under one or more policies or provisions of coverage:

1. Any recovery for damages under all such policies or provisions of coverage may be equal but not exceed the highest applicable limit for any one vehicle under any insurance providing coverage on either a primary or excess basis.
2. Any insurance we provide with respect to a vehicle you do not own shall be excess over any collectible insurance providing coverage on a primary basis.
3. If the coverage under this policy is provided:
 - a. on a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage provided on a primary basis.
 - b. on an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage provided on an excess basis.

EXHAUSTION CLAUSE

We will pay under the Underinsured Motorists Coverage only after the limits of liability under any applicable bodily injury liability bonds or policies have been exhausted by payment of judgments or settlements, unless:

1. We have been given written notice of a **tentative settlement** and decide to advance payment to the **insured** in an amount equal to that settlement; or
2. We and an **insured** have reached a **settlement agreement**.

ARBITRATION**A. If we and an insured do not agree:**

1. Whether that person is legally entitled to recover damages under this part; or

2. As to the amount of damages;

either party may make a written demand for arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third. If such arbitrators are not selected within 45 days, either party may request that the arbitration be submitted to the American Arbitration Association.

B. We will bear all the expenses of the arbitration except when the **insured's** recovery exceeds the minimum limit specified in the Illinois Safety Responsibility Law. If this occurs, the **insured** will be responsible up to the amount by which the **insured's** recovery exceeds the statutory minimum for:

1. Payment of his or her expenses; and
2. An equal share of the third arbitrator's expenses.

C. Unless both parties agree otherwise, arbitration will take place in the county in which the **insured** lives.

If arbitration is submitted to the American Arbitration Association, then the American Arbitration Association rules shall apply to all matters except medical opinions. As to medical opinions, if the amount of damages being sought:

1. Is equal to or less than the minimum limit for bodily injury liability specified by the Illinois Safety Responsibility Law, then the American Arbitration Association rules shall apply.
2. Exceeds the minimum limit for bodily injury liability specified by the Illinois Safety Responsibility Law, then rules of evidence that apply in the circuit court for placing medical opinions into evidence shall apply.

In all other cases, local rules of law as to procedure and evidence shall apply.

D. A decision agreed to by two of the arbitrators will be binding as to:

1. Whether the **insured** is legally entitled to recover damages; and

2. The amount of damages. This applies only if the amount does not exceed the lesser of:

- a. \$50,000 for **bodily injury** to any one person in any one accident. Subject to this limit per person, \$100,000 for **bodily injury** to two or more people in any one accident; or
- b. the limits for **bodily injury** shown in the Declarations.

If the amount exceeds these limits, either party may demand the right to a trial. This demand must be made within 60 days of the arbitrators' decision. If this demand is not made, the amount of damages agreed to by the arbitrators will be binding.

ADDITIONAL DUTIES

Any person seeking Underinsured Motorists Coverage must also:

1. Give us written notice of a **tentative settlement** and allow us 30 days to advance payment in an amount equal to that settlement to preserve our rights against the owner or operator of the **underinsured motor vehicle**.
2. File suit against the owner or operator of the **underinsured motor vehicle** prior to the conclusion of a **settlement agreement**. Such suit cannot be abandoned, or settled without giving us written notice of a **tentative settlement** and allowing us 30 days to advance payment in an amount equal to that settlement to preserve our rights against the owner or operator of the **underinsured motor vehicle**.
3. Promptly send us copies of the legal papers if a suit is brought.

PART D — COVERAGE FOR DAMAGE TO YOUR AUTO

INSURING AGREEMENT

A. We will pay for direct and accidental loss to **your covered auto** or any **non-owned auto**, including its equipment, minus any applicable deductible shown in the Declarations. We will pay for loss to **your covered auto** caused by:

1. Other than **collision** only if the Declarations indicate that Comprehensive Coverage is provided for that auto.
2. **Collision** only if the Declarations indicate that Collision Coverage is provided for that auto.

If there is a loss to a **non-owned auto**, we will provide the broadest coverage applicable to any vehicle shown in the Declarations.

B. "**Collision**" means the upset of **your covered auto** or a **non-owned auto** or its impact with another vehicle or object. No deductible will apply if the collision is with another auto insured by either SAFECO Insurance Company of America, SAFECO Insurance Company of Illinois, SAFECO National Insurance Company, SAFECO Lloyds Insurance Company, First National Insurance Company of America or General Insurance Company of America.

"Comprehensive" means loss, other than **collision**, to **your covered auto** or a **non-owned auto**. Loss caused by the following are not **collision** losses but are **comprehensive** losses:

Loss caused by missiles or falling objects; fire; theft or larceny; explosion or earthquake; windstorm; hail, water or flood; malicious mischief or vandalism; riot or civil commotion; contact with a bird or animal; or breakage of glass.

If breakage of glass is caused by a **collision**, you may elect to have it considered a loss caused by **collision**.

C. "Non-owned auto" means:

1. Any private passenger auto, pickup, van or **trailer** not owned by or furnished or available for the regular use of you or any **family member** while in the custody of or being operated by you or any **family member**; or
2. Any auto or **trailer** you do not own while used as a temporary substitute for **your covered auto** which is out of normal use because of its:
 - a. breakdown;
 - b. repair;
 - c. servicing;
 - d. loss; or
 - e. destruction.

D. "Camper body" means a body equipped as sleeping or living quarters which is designed to be mounted on a pickup.

TRANSPORTATION EXPENSES

In addition we will pay, without application of a deductible, either of the following, whichever is greater:

1. Up to \$22 per day, to a maximum of \$660; or
2. The limit for Loss of Use, if any, shown on the Declarations;

For:

1. Temporary transportation expenses incurred by you in the event of a total theft of **your covered auto**. We will pay for such expenses only if the Declarations indicate that Comprehensive Coverage is provided for that auto.
2. Indirect loss expenses for which you become legally responsible in the event of a loss to a **non-owned auto**. We will pay for

indirect loss expenses if the loss is caused by:

- a. other than **collision** only if the Declarations indicate that Comprehensive Coverage is provided for any **your covered auto**.
- b. **collision** only if the Declarations indicate that Collision Coverage is provided for any **your covered auto**.

If the loss is caused by a total theft of **your covered auto** or a **non-owned auto**, we will pay only expenses incurred during the period:

1. Beginning 48 hours after the theft; and
2. Ending when **your covered auto** or the **non-owned auto** is returned to use or we pay for its loss.

If the loss is caused by other than a total theft of a **non-owned auto**, we will pay only expenses beginning when the auto is withdrawn from use for more than 24 hours.

Our payment will be limited to that period of time reasonably required to repair or replace **your covered auto** or the **non-owned auto**.

EXCLUSIONS

We will not pay for:

1. Loss to **your covered auto** or any **non-owned auto** which occurs while it is being used as a public or livery conveyance. This exclusion (1.) does not apply to a share-the-expense car pool.
2. Damage due and confined to:
 - a. wear and tear;
 - b. freezing;
 - c. mechanical or electrical breakdown or failure; or
 - d. road damage to tires.

This exclusion (2.) does not apply if the damage results from the total theft of **your covered auto** or any **non-owned auto**.

3. Loss due to or as a consequence of:
 - a. radioactive contamination;
 - b. discharge of any nuclear weapon (even if accidental);
 - c. war (declared or undeclared);
 - d. civil war;
 - e. insurrection; or
 - f. rebellion or revolution.

4. Loss to:

- a. any electronic equipment designed for the reproduction of sound, including, but not limited to:
 - (1) radios and stereos;
 - (2) tape decks; or
 - (3) compact disc players;
- b. any other electronic equipment that receives or transmits audio, visual or data signals, including, but not limited to:
 - (1) citizens band radios;
 - (2) telephones;
 - (3) 2-way mobile radios;
 - (4) scanning monitor receivers;
 - (5) television monitor receivers;
 - (6) video cassette recorders;
 - (7) audio cassette recorders; or
 - (8) personal computers;
- c. tapes, records, discs, or other media used with equipment described in a. or b.; or
- d. any other accessories used with equipment described in a. or b.

This exclusion (4.) does not apply to:

- a. equipment designed solely for the reproduction of sound and accessories used with such equipment, provided:
 - (1) the equipment is permanently installed in **your covered auto** or any **non-owned auto**; or
 - (2) the equipment is:
 - (a) removable from a housing unit which is permanently installed in the auto;
 - (b) designed to be solely operated by use of the power from the auto's electrical system; and
 - (c) in or upon **your covered auto** or any **non-owned auto**; at the time of loss.
- b. any other electronic equipment that is:
 - (1) necessary for the normal operation of the auto or the monitoring of the auto's operating systems; or
 - (2) an integral part of the same unit housing any sound reproducing equipment described in a. and permanently installed in the opening of the dash or console of **your**

covered auto or any **non-owned auto** normally used by the manufacturer for installation of a radio.

- 5. A total loss to **your covered auto** or any **non-owned auto** due to destruction or confiscation by governmental or civil authorities because you or any **family member**:
 - a. engaged in illegal activities; or
 - b. failed to comply with Environmental Protection Agency or Department of Transportation standards.
- This exclusion (5.) does not apply to the interests of Loss Payees in **your covered auto**.
- 6. Loss to a **camper body**, motor home or **trailer** you own which is not shown in the Declarations. This exclusion (6.) does not apply to a **camper body**, motor home or **trailer** you:
 - a. acquire during the policy period; and
 - b. ask us to insure during the policy period or within 30 days after you become the owner, whichever is greater.

- 7. Loss to any **non-owned auto** when used by you or any **family member** without a reasonable belief that you or that **family member** have permission to do so.
- 8. Loss to equipment designed or used for the detection or location of radar or laser.
- 9. Loss to any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in the **business** of:
 - a. selling;
 - b. repairing;
 - c. servicing;
 - d. storing; or
 - e. parking;

vehicles designed for use on public highways. This includes road testing and delivery.

- 10. Loss to any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in any **business** not described in exclusion 9. This exclusion (10.) does not apply to the maintenance or use by you or any **family member** of a **non-owned auto** which is a private passenger auto or **trailer**.
- 11. Loss to **your covered auto** or any **non-owned auto**, located inside a facility designed for racing, for the purpose of:
 - a. competing in; or

b. practicing or preparing for;
any prearranged or organized racing or speed contest.

12. Loss to, or loss of use of, a **non-owned auto** rented by:

- a. you; or
- b. any family member;

if a rental vehicle company is precluded from recovering such loss or loss of use, from you or that **family member**, pursuant to the provisions of any applicable rental agreement or state law.

LIMIT OF LIABILITY

A. Our limit of liability for loss will be the lesser of the:

- 1. Actual cash value of the stolen or damaged property;
- 2. Amount necessary to repair or replace the property; or
- 3. Limit of liability shown in the Declarations.

However, the most we will pay for loss to any **non-owned auto** which is a **trailer** is \$1,000.

B. An adjustment for depreciation and physical condition will be made in determining actual cash value at the time of loss.

PAYMENT OF LOSS

We may pay for loss in money or repair or replace the damaged or stolen property. We may, at our expense, return any stolen property to:

- 1. You; or
- 2. The address shown in this policy.

If we return stolen property we will pay for any damage resulting from the theft. We may keep all or part of the property at an agreed or appraised value.

If we pay for loss in money, our payment will include the applicable sales tax for the damaged or stolen property.

NO BENEFIT TO BAILEE

This insurance shall not directly or indirectly benefit any carrier or other bailee for hire.

OTHER SOURCES OF RECOVERY

If other sources of recovery also cover the loss, we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, any insurance we provide with respect to a **non-owned auto** shall be excess over any other collectible source of recovery including, but not limited to:

- 1. Any coverage provided by the owner of the **non-owned auto**;
- 2. Any other applicable physical damage insurance;
- 3. Any other source of recovery applicable to the loss.

APPRAISAL

A. If we and you do not agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will select a competent appraiser. The two appraisers will select an umpire. The appraisers will state separately the actual cash value and the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- 1. Pay its chosen appraiser; and
- 2. Bear the expenses of the appraisal and umpire equally.

B. We do not waive any of our rights under this policy by agreeing to an appraisal.

PART E — DUTIES AFTER AN ACCIDENT OR LOSS

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

A. We must be notified promptly of how, when and where the accident or loss happened. Notice should also include the names and addresses of any injured persons and of any witnesses.

B. A person seeking any coverage must:

- 1. Cooperate with us in the investigation, settlement or defense of any claim or suit.

2. Promptly send us copies of any notices or legal papers received in connection with the accident or loss.

3. Submit, as often as we reasonably require:

- a. to physical examinations by physicians we select. We will pay for these exams.
- b. to examination under oath and subscribe the same. We may examine any **insured** separately and apart from the presence of any other **insured**.

4. Authorize us to obtain:
 - a. medical reports; and
 - b. other pertinent records.
 5. Submit a proof of loss, under oath if requested, when required by us.
- C. A person seeking Uninsured/Underinsured Motorists Coverage must also:**
1. Promptly notify the police if a hit-and-run driver is involved.
 2. Promptly send us copies of the legal papers if a suit is brought.
- D. A person seeking Coverage for Damage to Your Auto must also:**
1. Take reasonable steps after loss to protect **your covered auto** or any **non-owned auto** and its equipment from further loss. We will pay reasonable expenses incurred to do this.
 2. Promptly notify the police if **your covered auto** or any **non-owned auto** is stolen.
 3. Permit us to inspect and appraise the damaged property before its repair or disposal.

PART F — GENERAL PROVISIONS

POLICY PERIOD AND TERRITORY

- A.** This policy applies only to accidents and losses which occur:
1. During the policy period as shown in the Declarations; and
 2. Within the policy territory.
- B.** The policy period is the period stated in the Declarations. The policy may be renewed for successive policy periods if the required premium is paid and accepted by us on or before the expiration of the current policy period. The premium will be computed at our then current rate for coverage then offered.
- C.** The policy territory is:
1. The United States of America, its territories or possessions;
 2. Puerto Rico; or
 3. Canada.

This policy also applies to loss to, or accidents involving, **your covered auto** while being transported between their ports.

BANKRUPTCY

Bankruptcy or insolvency of the **insured** shall not relieve us of any obligations under this policy.

CHANGES

- A.** Before the end of any policy period, we may offer to change the coverage provided in this policy. Your payment of the premium billed by us for the next policy period will be your acceptance of our offer.
- B.** This policy contains all the agreements between you and us. Its terms may not be changed or waived except by endorsement issued by us.

- C.** If there is a change to the information used to develop the policy premium, we may adjust your premium. Changes during the policy term that may result in a premium increase or decrease include, but are not limited to, changes in:

1. The number, type or use classification of insured vehicles;
2. Operators using insured vehicles;
3. The place of principal garaging of insured vehicles;
4. Coverage, deductible or limits.

If a change resulting from B. or C. requires a premium adjustment, we will make the premium adjustment in accordance with our manual rules.

- D.** If we make a change which broadens coverage under this edition of your policy without additional premium charge, that change will automatically apply to your policy as of the date we implement the change in your state. This paragraph (D.) does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:

1. A subsequent edition of your policy; or
2. An Amendatory Endorsement.

- E.** Additional or return premium of \$3.00 or less resulting from policy changes will be waived. We will refund the entire return premium if requested by you.

FRAUD

We do not provide coverage for any **insured** who has made fraudulent statements or engaged in fraudulent conduct in connection with any accident or loss for which coverage is sought under this policy.

LEGAL ACTION AGAINST US

- A. No legal action may be brought against us until there has been full compliance with all the terms of this policy. In addition, under Part A, no legal action may be brought against us until:
1. We agree in writing that the **insured** has an obligation to pay; or
 2. The amount of that obligation has been finally determined by judgment after trial.
- B. No person or organization has any right under this policy to bring us into any action to determine the liability of an **insured**.

OUR RIGHT TO RECOVER PAYMENT

- A. If we make a payment under this policy and the person to or for whom payment was made has a right to recover damages from another we shall be subrogated to that right. That person shall do:

1. Whatever is necessary to enable us to exercise our rights; and
2. Nothing after loss to prejudice them.

For Uninsured Motorists Coverage, however, our rights in this paragraph (A.) do not apply under Part D, against any person using **your covered auto** with a reasonable belief that that person has permission to do so.

For Underinsured Motorists Coverage, however, our rights in this paragraph (A.) do not apply if we:

1. Have been given written notice of a **tentative settlement**; and
2. Fail to advance payment to the **insured** in an amount equal to the **tentative settlement** within 30 days after receipt of notification.

If we advance payment to the **insured** in an amount equal to the **tentative settlement** within 30 days after receipt of notification:

1. That payment will be separate from any amount the **insured** is entitled to recover under the provisions of Underinsured Motorists Coverage.
2. We also have a right to recover the advanced payment.

- B. If we make a payment under this policy and the person to or for whom payment is made recovers damages from another, that person shall:

1. Hold in trust for us the proceeds of the recovery; and
2. Reimburse us to the extent of our payment.

For Underinsured Motorists Coverage, however, in the event of a **settlement agreement**, we shall be entitled to a recovery under paragraphs (A.) and (B.) only for amounts which exceed the limit of bodily injury liability bonds

or policies applicable to the owner or operator of the **underinsured motor vehicle**.

TERMINATION

- A. **Cancellation.** This policy may be canceled during the policy period as follows:

1. The named insured shown in the Declarations may cancel by:
 - a. returning this policy to us; or
 - b. giving us advance written notice of the date cancellation is to take effect.
2. We may cancel by mailing to the named insured shown in the Declarations at the last mailing address known to us and to such named insured's agent or broker of record:
 - a. at least 10 days notice if cancellation is for nonpayment of premium; or
 - b. at least 30 days notice in all other cases.

The notice of cancellation must include a specific explanation of the reason for cancellation.

3. After this policy is in effect for 60 days, or if this is a renewal policy, we will cancel only:

- a. for nonpayment of premium; or
- b. if your driver's license or that of:
 - (1) any driver who lives with you; or
 - (2) any driver who customarily uses **your covered auto**;

has been suspended or revoked during the policy period. This must have occurred during the 12 month period immediately preceding the notice of cancellation; or

- c. if the policy was obtained through material misrepresentation.

- B. **Nonrenewal.** If we decide not to renew this policy, we will mail notice to the named insured shown in the Declarations at the address last known by us and to such named insured's agent or broker of record. Notice will be mailed at least 30 days before the end of the policy period and will include a specific explanation of the reasons for nonrenewal. If this policy has been in effect for 5 years or more, we will only nonrenew the policy if we:

1. Mail you notice of our intent 60 days prior to the expiration date; or
2. Are otherwise permitted to by Illinois Law.

- C. **Automatic Termination.** If we offer to renew and you or your representative do not accept, this policy will automatically terminate at the end of the current policy period. Failure to pay the

required renewal premium when due shall mean that you have not accepted our offer.

If you obtain other insurance on **your covered auto**, any similar insurance provided by this policy will terminate as to that auto on the effective date of the other insurance.

D. Other Termination Provisions.

1. Proof of mailing of any notice shall be sufficient proof of notice.
2. If this policy is canceled, you may be entitled to a premium refund. If so, we will send you the refund. The premium refund, if any, will be computed according to our manuals. However, making or offering to make the refund is not a condition of cancellation.
3. The effective date of cancellation stated in the notice shall become the end of the policy period.
4. We will give the same advance notice of cancellation or nonrenewal to the loss payee stated in the policy as we give to the named insured shown in the Declarations.

TRANSFER OF YOUR INTEREST IN THIS POLICY

- A.** Your rights and duties under this policy may not be assigned without our written consent. However, if a named insured shown in the Declarations dies, coverage will be provided for:
1. The surviving spouse if resident in the same household at the time of death. Coverage applies to the spouse as if a named insured shown in the Declarations; and

2. The legal representative of the deceased person as if a named insured shown in the Declarations. This applies only with respect to the representative's legal responsibility to maintain or use **your covered auto**.

- B.** Coverage will only be provided until the end of the policy period.

TWO OR MORE AUTOS INSURED; TWO OR MORE AUTO POLICIES

If this policy insures two or more autos or if any other auto insurance policy issued to you by us applies to the same accident, the maximum limit of our liability shall not exceed the highest limit applicable to any one auto.

LOSS PAYABLE CLAUSE

As to the interest of the loss payee, this policy will remain in effect from the inception date and until ten days after cancellation notice is received by the loss payee. When we pay the loss payee we shall, to the extent of payment, have the loss payee's rights of recovery.

ADDITIONAL COVERAGES

AGREEMENT: WE WILL PROVIDE THE INSURANCE DESCRIBED IN EACH OF THE FOLLOWING ADDITIONAL COVERAGES ONLY IF INDICATED IN THE DECLARATIONS.

PROPERTY DAMAGE UNINSURED MOTORISTS COVERAGE

We will pay damages which you are legally entitled to recover from the owner or operator of an **uninsured motor vehicle** because of **property damage** caused by an accident arising out of actual physical contact with **your covered auto**. The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the **uninsured motor vehicle**.

Any judgment for damages arising out of a suit brought without our written consent is not binding on us.

"**Property damage**" as used in this coverage means injury to or destruction of **your covered auto**. However, **property damage** does not include:

1. Loss of use of **your covered auto**; or

2. Damage to personal property contained in **your covered auto** other than a child restraint system that:

- a. meets the applicable standards of the Illinois Child Passenger Protection Act; and
- b. was in use by the child at the time of the accident for which this coverage applies.

"**Uninsured motor vehicle**" means a land motor vehicle or **trailer** of any type:

1. To which no liability bond or policy affording coverage for **property damage** applies at the time of the accident.
2. To which a liability bond or policy affording coverage for **property damage** applies at the time of the accident. In this case, its limit for property damage liability is less than the minimum limit for property damage liability specified by the Illinois Safety Responsibility Law.

3. To which a liability bond or policy affording coverage for **property damage** applies at the time of the accident but the bonding or insuring company:
 - a. denies coverage; or
 - b. is or becomes insolvent.

However, "**uninsured motor vehicle**" does not include any vehicle or equipment:

1. Owned by or furnished or available for the regular use of you or any **family member**.
2. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.
3. Owned by any governmental unit or agency.
4. Operated on rails or crawler treads.
5. Designed mainly for use off public roads while not on public roads.
6. While located for use as a residence or premises.

EXCLUSIONS

- A. We do not provide Uninsured Motorists Coverage for **property damage**:
 1. If you or your legal representative settles the **property damage** claim without our consent.
 2. When **your covered auto** is being used as a public or livery conveyance. This exclusion (A.2.) does not apply to a share-the-expense car pool.
 3. For the first \$250 of the amount of the **property damage** to each of **your covered autos** as the result of any one accident.
 4. To any motor vehicle owned by you for which you have purchased Collision Coverage under this policy or any other policy.
 5. If the owner or operator of the **uninsured motor vehicle** cannot be identified.
- B. This coverage shall not apply directly or indirectly to benefit any insurer of the property.
- C. We do not provide Property Damage Uninsured Motorists Coverage for **punitive or exemplary damages**.

LIMIT OF LIABILITY

Our maximum limit of liability for all damages resulting from any one accident will be the lesser of:

1. The limit of liability shown in the Declarations; or

2. The actual cash value of **your covered auto**.

This is the most we will pay, regardless of the number of:

1. Claims made;
2. Vehicles or premiums shown in the Declarations; or
3. Vehicles involved in the accident.

An adjustment for depreciation and physical condition will be made in determining actual cash value at the time of loss.

We will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.

OTHER INSURANCE

If there is other applicable similar insurance we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, any insurance we provide with respect to a vehicle you do not own shall be excess over any other collectible insurance.

ARBITRATION

- A. If we and an **insured** do not agree:
 1. Whether that person is legally entitled to recover damages under this part; or
 2. As to the amount of damages;

either party may make a written demand for arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third. If such arbitrators are not selected within 45 days, either party may request that the arbitration be submitted to the American Arbitration Association.
- B. We will bear all the expenses of the arbitration except when the **insured's** recovery exceeds the minimum limit specified in the Illinois Safety Responsibility Law. If this occurs, the **insured** will be responsible up to the amount by which the **insured's** recovery exceeds the statutory minimum for:
 1. Payment of his or her expenses; and
 2. An equal share of the third arbitrator's expenses.
- C. Unless both parties agree otherwise, arbitration will take place in the county in which the **insured** lives.

If arbitration is submitted to the American Arbitration Association, then the American Arbitration Association rules shall apply to all matters except medical opinions. As to medical

opinions, if the amount of damages being sought:

1. Is equal to or less than the minimum limit for bodily injury liability specified by the Illinois Safety Responsibility Law, then the American Arbitration Association rules shall apply.
2. Exceeds the minimum limit for bodily injury liability specified by the Illinois Safety Responsibility Law, then rules of evidence that apply in the circuit court for placing medical opinions into evidence shall apply.

In all other cases, local rules of law as to procedure and evidence shall apply.

- D. A decision agreed to by two of the arbitrators will be binding as to:
1. Whether the **insured** is legally entitled to recover damages; and
 2. The amount of damages. This applies only if the amount does not exceed the minimum limit for bodily injury liability specified by the Illinois Safety Responsibility Law. If the amount exceeds that limit, either party may demand the right to a trial. This demand must be made within 60 days of the arbitrators' decision. If this demand is not made, the amount of damages agreed to by the arbitrators will be binding.

ADDITIONAL DUTIES AFTER AN ACCIDENT OR LOSS

A person seeking Property Damage Uninsured Motorists Coverage must also:

1. Promptly send us copies of the legal papers if a suit is brought.
2. Provide us with:
 - a. The name and address of the owner of the **uninsured motor vehicle**; or
 - b. The registration number or description of such vehicle; or
 - c. Any other available information to establish that there is no applicable motor vehicle property damage liability insurance.

TOWING AND LABOR COSTS COVERAGE

We will pay reasonable expenses incurred each time **your covered auto** or a **non-owned auto** is disabled, for:

1. Towing to the nearest place where necessary repairs can be made during regular business hours if it will not run;
2. Towing it out if it is stuck on or next to a public street or highway;
3. Mechanical labor up to one hour at the place of its breakdown;
4. Change of tire; or
5. Delivery of gasoline, oil or loaned battery. We do not pay the cost of these items.

LOSS OF USE COVERAGE

The provisions and exclusions that apply to Part D — Coverage for Damage to Your Auto also apply to this coverage except as changed below:

When there is a loss to any vehicle described in the Declarations for which a specific premium charge indicates that Loss of Use coverage is afforded, we will reimburse you for expenses you incur to rent a substitute auto.

This coverage applies only if:

1. The auto is withdrawn from use for more than 24 hours;
2. The loss is caused by **collision**, or is covered by the Comprehensive Coverage of this policy; and
3. The loss exceeds the appropriate **collision** or **comprehensive** deductible applying to the auto.

However, this coverage does not apply to losses caused by **collision** if Collision Coverage does not apply to the auto.

Our payment will be limited to that period of time reasonably required to repair or replace the auto. We will pay up to the amount per day and the maximum shown for Loss of Use in the Declarations.



Approved per Betty on 4/14/09

OHIO PERSONAL AUTO POLICY

SAFECO INSURANCE COMPANY OF ILLINOIS
 Home Office: 2800 W. Higgins Rd., Suite 1100, Hoffman Estates, Illinois 60195

READY REFERENCE TO YOUR AUTO POLICY

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ADDITIONAL COVERAGES

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Underinsured Motorists Coverage — Ohio
Uninsured Motorists Property Damage — Ohio
Roadside Assistance Coverage
Loss of Use Coverage
Full Safety Glass Coverage

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**USE OF INSURED AUTOMOBILE IN MEXICO —
WARNING**

It is agreed the following provision, is made a part of the policy to which it is attached:

Warning — Unless you have automobile insurance written by a Mexican insurance company, you may spend many hours or days in jail, if you have an accident in Mexico. Insurance coverage should be secured from a company licensed under the laws of Mexico to write such insurance in order to avoid complications and some other penalties possible under the laws of Mexico, including the possible impoundment of your automobile.

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AGREEMENT

In return for your payment of all premiums, and in reliance upon the statements in the application we agree to insure you subject to the terms, conditions and limitations of this policy. We will insure you for the coverages and limits shown on the Declarations. Your policy consists of the policy contract, Declarations and endorsements applicable to the policy.

DEFINITIONS

- A.** Throughout this policy, "you" and "your" refer to:
1. The "named insured" shown in the Declarations;
 2. The spouse if a resident of the same household;
 3. The civil partner, if a resident of the same household, by civil union licensed and certified by the state; or
 4. The **domestic partner**, if a resident of the same household;
- "Domestic partner" means a person living as a continuing partner with you and:
- (a) is at least 18 years of age and competent to contract;
 - (b) is not a relative; and
 - (c) shares with you the responsibility for each other's welfare, evidence of which includes:
 - (1) the sharing in domestic responsibilities for the maintenance of the household; or
 - (2) having joint financial obligations, resources, or assets; or
 - (3) one with whom you have made a declaration of domestic partnership or similar declaration with an employer or government entity.
- Domestic partner** does not include more than one person, a roommate whether sharing expenses equally or not, or one who pays rent to the named insured.
- B.** "We," "us" and "our" refer to the Company, as shown in the Declarations providing this insurance.
- C.** For purposes of this policy, a private passenger auto shall be deemed to be owned by a person if leased:
1. Under a written agreement to that person; and
 2. For a continuous period of at least six months.
- D.** Throughout the policy, "**minimum limits**" refers to the following limits of liability required by Ohio law to be provided under a policy of automobile liability insurance:
1. \$12,500 for each person, subject to \$25,000 for each accident, with respect to **bodily injury**; and
 2. \$7,500 for each accident with respect to **property damage**.
- Other words and phrases are defined. They are in bold type when used.
- E.** "**Bodily injury**" means bodily harm, sickness or disease, including death that results.
- F.** "**Business**" includes trade, profession or occupation.
- G.** "**Family member**" means a person related to you by blood, marriage, civil union, domestic partnership or adoption who is a resident of your household. This includes a ward or foster child who is a resident of your household.
- H.** "**Fungi**" means any type or form of fungus, including yeast, mold or mildew, blight or mushroom and any mycotoxins, spore, scents or other substances, products or byproducts produced, released by or arising out of **fungi**, including growth, proliferation or spread of **fungi** or the current or past presence of **fungi**. However, this definition does not include any **fungi** intended by the **insured** for consumption.
- I.** "**Occupying**" means in; upon; or getting in, on, out or off.
- J.** "**Property damage**" means physical injury or destruction of tangible property including loss of use.
- K.** "**Punitive or exemplary damages**" include damages which are awarded to punish or deter wrongful conduct, to set an example, to fine, penalize or impose a statutory penalty, and damages which are awarded for any purpose other than as compensatory damages for **bodily injury** or **property damage**.
- L.** "**Trailer**" means a vehicle designed to be pulled by a:
1. Private passenger auto; or
 2. Pickup, van or motorhome.

It also means a recreational camping vehicle, a farm wagon or farm implement while towed by a vehicle listed in **L.1.** or **L.2.** above.

M. "Your covered auto" means:

1. Any vehicle shown in the Declarations.
2. a. Any newly acquired vehicle, whether operational or not, on the date you become the owner, subject to conditions for **Newly Acquired Replacement Vehicle** and **Newly Acquired Additional Vehicle** under **M.2.b.** below. Any newly acquired vehicle must be of the following types:
 - (1) a private passenger auto;
 - (2) a pickup or van that:
 - (a) has a Gross Vehicle Weight Rating of 12,000 lbs or less; and
 - (b) is not used for the delivery or transportation of goods and materials unless such use is:
 - i. incidental to your **business** of installing, maintaining or repairing furnishings or equipment; or
 - ii. for farming or ranching; or
 - (3) a motorhome or **trailer**.
- b. A newly acquired vehicle is subject to the following conditions:
 - (1) **Newly Acquired Replacement Vehicle.** If the vehicle you acquire replaces one shown in the Declarations, the replacement vehicle will have the same coverage as the vehicle it replaced, other than Part **D** — Coverage for Damage to Your Auto. This provision applies only if there is no other insurance policy that provides coverage for that replacement vehicle.

 Part **D** — Coverage for Damage to Your Auto shall apply for the first thirty (30) days after you acquire the vehicle, including the date of acquisition, only to the extent Part **D** — Coverage for Damage to Your Auto applied to the vehicle being replaced. You must notify us within thirty (30) days after you acquire the replacement vehicle for Part **D**

— Coverage for Damage to Your Auto to continue.

- (2) **Newly Acquired Additional Vehicle.** For any newly acquired vehicle that is in addition to any shown in the Declarations coverage shall apply for the first thirty (30) days after you acquire the vehicle, including the date of acquisition. Coverage shall be the broadest coverage we provide for any vehicle shown in the Declarations. This coverage applies only if:

- (a) you acquire the additional vehicle during the policy period shown on the Declarations; and
- (b) there is no other insurance policy that provides coverage for the additional vehicle.

If you wish to add or continue coverage you must ask us to insure the additional vehicle within thirty (30) days after you acquire the additional vehicle. This thirty (30) days of coverage includes the day you acquire the vehicle.

- (3) Collision Coverage for a newly acquired vehicle begins on the date that you acquire the vehicle. However, if the Declarations does not indicate that Collision Coverage applies to at least one vehicle, you must ask us to insure the newly acquired vehicle within four (4) days after you acquire it. If a loss occurs during the four (4) days after you acquire the vehicle but before you asked us to insure the newly acquired vehicle, a \$500 collision deductible will apply.
- (4) Comprehensive Coverage for a newly acquired vehicle begins on the date that you acquire the vehicle. However, if the Declarations does not indicate that Comprehensive Coverage applies to at least one vehicle, you must ask us to insure the newly acquired vehicle within four (4) days after you acquire it. If a loss occurs during the four (4) days after you acquire the vehicle but before you asked us to insure the newly acquired

vehicle, a \$500 comprehensive deductible will apply.

3. Any auto or **trailer** you do not own while used as a temporary substitute for any other vehicle described in this definition which is out of normal use because of its:
 - a. breakdown;
 - b. repair;

- c. servicing;
- d. loss; or
- e. destruction.

This provision (**M.3.**) does not apply to Coverage for Damage to Your Auto.

PART A — LIABILITY COVERAGE

INSURING AGREEMENT

- A. We will pay damages for **bodily injury** or **property damage** for which any **insured** becomes legally responsible because of an auto accident. We will settle or defend, as we consider appropriate, any claim or suit asking for these damages. In addition to our limit of liability, we will pay all defense costs we incur. Our duty to settle or defend ends when our limit of liability for this coverage has been exhausted. We have no duty to defend any suit or settle any claim for **bodily injury** or **property damage** not covered under this policy.
- B. “**Insured**” as used in this Part means:
 1. You or any **family member** for the ownership, maintenance or use of any auto or **trailer**.
 2. Any person using **your covered auto** with your express or implied permission. The actual use must be within the scope of that permission.
 3. For **your covered auto**, any person or organization but only with respect to legal responsibility for acts or omissions of a person for whom coverage is afforded under **B.1.** and **B.2.** above.
 4. For any auto or **trailer**, other than **your covered auto**, any other person or organization but only with respect to legal responsibility for acts or omissions of you or any **family member** for whom coverage is afforded under this Part. This provision (**B.4.**) applies only if the person or organization does not own or hire the auto or **trailer**.

INTEREST ON JUDGMENTS

We will pay interest on judgments subject to all of the following:

1. Any notice, demand, summons, judgment, or any process has been promptly forwarded to us as required by the policy conditions.
2. We accept the defense or agree to the judgment.

3. We will pay the interest on that part of the judgment that is covered and that does not exceed our applicable limit of liability.
4. We will pay interest that accrues after entry of judgment and before we pay, tender, or deposit in court.
5. If we appeal the judgment, we will pay interest on the entire judgment.
6. Post-judgment interest is in addition to the applicable limit of liability.
7. Where we are required to cover prejudgment interest, it shall be included in the limit of liability and is not an additional amount of insurance.

SUPPLEMENTARY PAYMENTS

We will pay on behalf of an **insured**:

1. Up to \$1,000 for the cost of bail bonds required because of an accident, including related traffic law violations. The accident must result in **bodily injury** or **property damage** covered under this policy. We are not obligated to apply for or furnish such bonds.
2. Premiums on appeal bonds and bonds to release attachments in any suit we defend.
3. Up to \$250 a day for loss of earnings, but not other income, because of attendance at hearings or trials at our request.
4. Other reasonable expenses incurred at our request.
5. Pay all expenses incurred by an **insured** for first aid to others at the time of the accident, not to exceed \$10,000.

EXCLUSIONS

- A. We do not provide Liability Coverage for:
 1. Any **insured** who intentionally causes **bodily injury** or **property damage** even if such **bodily injury** or **property damage** is of a different kind or degree than expected or intended, or such **bodily injury** or **property damage** is sustained by a

different person or persons than expected or intended.

2. **Property damage** to property owned or being transported by any **insured**.
3. **Property damage** to property:
 - a. rented to;
 - b. used by; or
 - c. in the care of;
 any **insured**.
 This exclusion (A.3.) does not apply to **property damage** to a residence or private garage.
4. **Bodily injury** to an employee of any **insured** during the course of employment. This exclusion (A.4.) does not apply to **bodily injury** to a domestic employee unless workers compensation benefits are required or available for that domestic employee.
5. Any **insured's** liability arising out of the ownership or operation of a vehicle while it is being used as a public or livery conveyance. This exclusion (A.5.) does not apply to a share-the-expense car pool.
6. Any **insured** using any vehicle while employed in the pickup or delivery of newspapers or magazines, food or any products for the purpose of compensation. This exclusion does not apply to delivery that is incidental to an **insured's business**.
7. a. Any **insured** while employed or otherwise engaged in the **business** of:
 - (1) selling;
 - (2) repairing;
 - (3) servicing;
 - (4) storing; or
 - (5) parking;
 vehicles designed for use mainly on public highways. This includes road testing and delivery.
- b. This exclusion (A.7.) does not apply to the ownership, maintenance or use of **your covered auto** by:
 - (1) you;
 - (2) any **family member**; or
 - (3) any partner, agent or employee of you or any **family member**.
8. Any **insured** maintaining or using any vehicle while that **insured** is employed or otherwise engaged in any **business** (other

than farming or ranching) not described in Exclusions A.6. or A.7. This exclusion (A.8.) does not apply to the maintenance or use of a:

- a. private passenger auto;
 - b. pickup, motorhome or van that:
 - (1) you own; or
 - (2) you do not own while used as a temporary substitute for **your covered auto** which is out of normal use because of its:
 - (a) breakdown;
 - (b) repair;
 - (c) servicing;
 - (d) loss; or
 - (e) destruction; or
 - c. **trailer** used with a vehicle described in A.8.a. or A.8.b. above.
9. Any **insured** using a vehicle without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted. However, this exclusion does not apply to a **family member** using **your covered auto**.
 10. a. **Bodily injury or property damage** for which any **insured**:
 - (1) is an insured under a nuclear energy liability policy; or
 - (2) would be an insured under a nuclear energy liability policy but for its termination upon exhaustion of its limit of liability.
 - b. A nuclear energy liability policy is a policy issued by any of the following or their successors:
 - (1) Nuclear Energy Liability Insurance Association;
 - (2) Mutual Atomic Energy Liability Underwriters; or
 - (3) Nuclear Insurance Association of Canada.
 11. **Punitive or exemplary damages** awarded against any **insured**.
 12. **Bodily injury** to you or any **family member**.
 13. **Bodily injury or property damage** arising out of the use of **your covered auto** while leased or rented to others. However, this exclusion does not apply to the operation of **your covered auto** by you or a **family member**.

14. **Bodily injury or property damage** arising out of a criminal act or omission of the **insured**. This exclusion applies regardless of whether that **insured** is actually charged with, or convicted of, a crime. However, this exclusion (14.) does not apply to traffic violations.
- B. We do not provide Liability Coverage for the ownership, maintenance or use of:
1. a. Any vehicle which:
 - (1) has fewer than four wheels;
 - (2) is designed mainly for use off public roads; or
 - (3) is a vehicle not licensed for use on public roads.
 - b. This exclusion does not apply:
 - (1) while such vehicle is being used by an **insured** in a medical emergency; or
 - (2) to any **trailer**.
 2. Any vehicle, other than **your covered auto**, which is:
 - a. owned by you; or
 - b. furnished or available for your regular use.
 3. a. Any vehicle, other than **your covered auto**, which is:
 - (1) owned by any **family member** or other person who resides with you; or
 - (2) furnished or available for the regular use of any **family member** or other person who resides with you.
 - b. However, this exclusion (B.3.) does not apply to you while you are maintaining or **occupying** any vehicle which is:
 - (1) owned by a **family member** or other person who resides with you; or
 - (2) furnished or available for the regular use of a **family member** or other person who resides with you.
 4. Any vehicle while it is:
 - a. operating on a surface designed or used for racing, except for an organized and controlled event that is not a speed, performance, stunt or demolition event;
 - b. participating in a high performance driving or racing instruction course or school; or
 - c. preparing for, practicing for, used in, or competing in any prearranged or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.

LIMIT OF LIABILITY

- A. If the Declarations indicates "per person"/"per accident" coverage applies:

The limit of liability as shown in the Declarations for "each person" for Bodily Injury Liability is our maximum limit of liability for all damages, including damages for care and loss of services (including loss of consortium and wrongful death), arising out of **bodily injury** sustained by any one person in any one auto accident.

Subject to this limit for "each person," the limit of liability shown in the Declarations for "each accident" for Bodily Injury Liability is our maximum limit of liability for all damages for **bodily injury** resulting from any one auto accident.

The limit of liability shown in the Declarations for each accident for Property Damage Liability is our maximum limit of liability for all **property damage** resulting from any one accident.

This is the most we will pay regardless of the number of:

1. **Insureds**;
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the auto accident.

- B. If the Declarations indicate **Combined Single Limit** applies, Paragraph A. above is replaced by the following:

The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for all damages resulting from any one auto accident. This is the most we will pay regardless of the number of:

1. **Insureds**;
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the auto accident.

We will apply the limit of liability to provide any separate limits required by law for **bodily injury** and **property damage** liability. However, this provision will not change our total limit of liability.

- C. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part B or Part C or any Underinsured Motorists Coverage provided by this policy.
- D. A vehicle and attached **trailer** are considered one vehicle. Therefore the limits of liability will not be increased for an accident involving a vehicle which has an attached **trailer**.

OUT OF STATE COVERAGE

If an auto accident to which this policy applies occurs in any state or province other than the one in which **your covered auto** is principally garaged, we will interpret your policy for that accident as follows:

- A. If the state or province has:
 - 1. A financial responsibility or similar law specifying limits of liability for **bodily injury** or **property damage** higher than the limit shown in the Declarations, your policy will provide the higher specified limit.

- 2. A compulsory insurance or similar law requiring a nonresident to maintain insurance whenever the nonresident uses a vehicle in that state or province, your policy will provide at least the required **minimum limits** and types of coverage.

- B. No one will be entitled to duplicate payments for the same elements of loss.

FINANCIAL RESPONSIBILITY

When this policy is certified as future proof of financial responsibility, this policy shall comply with the law to the extent required. The **insured** must reimburse us if we make a payment that we would not have made if this policy was not certified as proof of financial responsibility.

OTHER INSURANCE

If there is other applicable liability insurance available any insurance we provide shall be excess over any other applicable liability insurance. If more than one policy applies on an excess basis, we will bear our proportionate share with other collectible liability insurance.

PART B — MEDICAL PAYMENTS COVERAGE

INSURING AGREEMENT

- A. We will pay **usual and customary charges** incurred for reasonable and necessary medical and funeral expenses because of **bodily injury**:

- 1. Caused by accident; and
- 2. Sustained by an **insured**.

We will pay only those expenses incurred for services rendered within three (3) years from the date of the accident.

We have a right to review medical expenses and services to determine if they are reasonable and necessary for the **bodily injury** sustained.

- B. "**Insured**" as used in this Part means:

- 1. You or any **family member**:
 - a. while **occupying**; or
 - b. as a pedestrian or bicyclist when struck by;
a motor vehicle designed for use mainly on public roads or a **trailer** of any type.
- 2. Any other person while **occupying your covered auto** with your express or implied permission. The actual use must be within the scope of that permission.
- 3. Any other person while **occupying**, as a guest, an automobile not owned by you or a **family member**, while being operated by you or a **family member**.

- C. "**Usual and customary charges**" as used in this Part mean:

Any amount which we determine represents a customary charge for services in the geographic area in which the service is rendered. To determine whether a charge is customary, we may consider outside sources of information of our choice, including, but not limited to:

- 1. Licensed, certified or registered health care professionals;
- 2. Medical examinations;
- 3. Medical file reviews;
- 4. Medical bill review services; or
- 5. Computerized data bases.

The **insured** shall not be responsible for payment of any reduction applied by us. If a medical provider disputes an amount paid by us, we will be responsible for resolving such disputes.

EXCLUSIONS

We do not provide Medical Payments Coverage for any **insured** for **bodily injury**:

- 1. Sustained while **occupying** any motorized vehicle having fewer than four wheels.
- 2. Sustained while **occupying your covered auto** when it is being used as a public or livery conveyance. This exclusion (2.) does not apply to a share-the-expense car pool.

3. Sustained while occupying any vehicle while employed in the pickup or delivery of newspapers or magazines, food or any products for the purpose of compensation. This exclusion does not apply to delivery that is incidental to an **insured's business**.
4. Sustained while **occupying** any vehicle located for use as a residence or premises.
5. Occurring during the course of employment if workers compensation benefits are required or available for the **bodily injury**.
6. Sustained while **occupying**, or when struck by, any vehicle (other than **your covered auto**) which is:
 - a. owned by you; or
 - b. furnished or available for your regular use.
7. Sustained while **occupying**, or when struck by, any vehicle (other than **your covered auto**) which is:
 - a. owned by any **family member** or other person who resides with you; or
 - b. furnished or available for the regular use of any **family member** or other person who resides with you.

However, this exclusion (7.) does not apply to you.
8. Sustained while **occupying** a vehicle without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted. However this exclusion does not apply to a **family member** using **your covered auto**.
9. Sustained while **occupying** a vehicle when it is being used in the **business** of an **insured**. This exclusion (9.) does not apply to **bodily injury** sustained while **occupying** a:
 - a. private passenger auto;
 - b. pickup, van or motorhome that you own; or
 - c. **trailer** used with a vehicle described in a. or b. above.
10. Caused by or as a consequence of:
 - a. discharge of a nuclear weapon (even if accidental);
 - b. war (declared or undeclared);
 - c. civil war;
 - d. insurrection; or
 - e. rebellion or revolution.
11. From or as a consequence of the following, whether controlled or uncontrolled or however caused:
 - a. nuclear reaction;
 - b. radiation; or
 - c. radioactive contamination.
12. Sustained while **occupying** any vehicle while it is:
 - a. operating on a surface designed or used for racing except for an organized and controlled event that is not a speed, performance, stunt or demolition event;
 - b. participating in a high performance driving or racing instruction course or school; or
 - c. preparing for, practicing for, used in, or competing in any prearranged or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.
13. Caused by the actual, alleged or threatened presence, growth, proliferation or spread of **fungi** or bacteria.

LIMIT OF LIABILITY

- A. The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for each person injured in any one accident. This is the most we will pay regardless of the number of:
 1. **Insureds**;
 2. Claims made;
 3. Vehicles or premiums shown in the Declarations; or
 4. Vehicles involved in the accident.
- B. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part A of this policy.

OTHER INSURANCE

If there is other applicable auto medical payments insurance available any insurance we provide shall be excess over any other applicable auto medical payments insurance. If more than one policy applies on an excess basis, we will bear our proportionate share with other collectible auto medical payments insurance.

PART C — UNINSURED MOTORISTS COVERAGE

INSURING AGREEMENT

A. We will pay damages which an **insured** is legally entitled to recover from the owner or operator of:

1. An **uninsured motor vehicle** as defined in Sections 1., 2., and 4. of the definition of an **uninsured motor vehicle** because of **bodily injury**:
 - a. sustained by that **insured**; and
 - b. caused by an accident.
2. An **uninsured motor vehicle** as defined in Section 3. of the definition of an **uninsured motor vehicle** because of **bodily injury** sustained by an **insured**.

The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the **uninsured motor vehicle**.

Any judgment for damages arising out of suit brought without our written consent is not binding on us.

B. "**Insured**" as used in this Part means:

1. You or any **family member**.
2. Any other person **occupying your covered auto** with your express or implied permission. The actual use must be within the scope of that permission.
3. Any person entitled to recover damages because of **bodily injury** to which this coverage applies sustained by a person described in B.1. or B.2. above.

C. "**Uninsured motor vehicle**" means a land motor vehicle or **trailer** of any type:

1. To which no bodily injury liability bond or policy applies at the time of the accident.
2. To which a bodily injury liability bond or policy applies at the time of the accident if its limit for bodily injury liability is less than the **minimum limits** for bodily injury liability.
3. Which is a hit-and-run vehicle whose operator or owner cannot be identified and which hits or causes **bodily injury** without hitting:
 - a. you or any **family member**;
 - b. a vehicle which you or any **family member** are **occupying**; or
 - c. **your covered auto**.

The facts of the accident or intentional act must be proved. We will only accept

independent corroborative evidence other than the testimony of an **insured** making a claim under this coverage, unless such testimony is supported by additional evidence.

4. To which a bodily injury liability bond or policy applies at the time of the accident, but the bonding or insuring company:
 - a. denies coverage; or
 - b. is or becomes insolvent.

However, "**uninsured motor vehicle**" does not include any vehicle or equipment:

1. Owned by or furnished or available for the regular use of you or a **family member**.
2. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.
3. Owned by any governmental unit or agency, unless the owner or operator of the **uninsured motor vehicle** has:
 - a. an immunity under the Ohio Political Subdivision Tort Liability Law; or
 - b. a diplomatic immunity.
4. Operated on rails or crawler treads.
5. Designed mainly for use off public roads while not on public roads.
6. While located for use as a residence or premises.

EXCLUSIONS

A. We do not provide Uninsured Motorists Coverage for **bodily injury** sustained:

1. By an **insured** while **occupying**, or when struck by, any motor vehicle owned by that **insured** which is not insured for this coverage under this policy. This includes a **trailer** of any type used with that vehicle.
2. By any **family member** while **occupying**, or when struck by, any motor vehicle you own which is insured for this coverage on a primary basis under any other policy.

B. We do not provide Uninsured Motorists Coverage for **bodily injury** sustained by any **insured**:

1. If that **insured** or the legal representative settles the **bodily injury** claim without our consent. However, this exclusion (B.1.) does not apply if such settlement does not prejudice our right to recover payment.

2. While **occupying your covered auto** when it is being used as a public or livery conveyance. This exclusion (B.2.) does not apply to a share-the-expense car pool.
3. While using any vehicle while employed in the pickup or delivery of newspapers or magazines, food or any products for the purpose of compensation. This exclusion does not apply to delivery that is incidental to an **insured's business**.
4. While using a vehicle without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted. However, this exclusion does not apply to you or any **family member** using **your covered auto**.
5. While **occupying** or operating an owned motorcycle or moped.
6. While using any vehicle while it is:
 - a. operating on a surface designed or used for racing except for an organized and controlled event that is not a speed, performance, stunt or demolition event;
 - b. participating in a high performance driving or racing instruction course or school; or
 - c. preparing for, practicing for, used in, or competing in any prearranged or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.
- C. This coverage shall not apply directly or indirectly to benefit any insurer or self-insurer under any of the following or similar law:
 1. Workers compensation law; or
 2. Disability benefits law.
- D. We do not provide Uninsured Motorists Coverage for **punitive or exemplary damages**.

LIMIT OF LIABILITY

- A. The limit of liability shown in the Declarations for "each person" for Uninsured Motorists Coverage is our maximum limit of liability for all damages, including damages for care and loss of services (including loss of consortium and wrongful death), arising out of **bodily injury** sustained by any one person in any one auto accident.

Subject to this limit for "each person", the limit of liability shown in the Declarations for "each accident" for Uninsured Motorists Coverage is our maximum limit of liability for all damages for

bodily injury resulting from any one auto accident.

This is the most we will pay regardless of the number of:

1. **Insureds**;
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the accident.

In no event shall the limit of liability for two or more vehicles or two or more policies be added together, combined, or stacked to determine the limit of insurance coverage available to injured persons. If none of the vehicles insured in this policy is involved in the accident, Uninsured Motorists Coverage is available to the extent of coverage of any one of the insured vehicles.

- B. If the Declarations indicate Combined Single Limit Coverage applies, paragraph (A.) above is replaced by the following:

The limit of liability shown in the Declarations for Uninsured Motorists Coverage is our maximum limit of liability for all damages resulting from any one auto accident. This is the most we will pay regardless of the number of:

1. **Insureds**;
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the auto accident.

In no event shall the limit of liability for two or more vehicles or two or more policies be added together, combined, or stacked to determine the limit of insurance coverage available to injured persons. If none of the vehicles insured in this policy is involved in the accident, Uninsured Motorists Coverage is available to the extent of coverage of any one of the insured vehicles.

We will apply the limit of liability to provide any separate limits required by law for **bodily injury** and **property damage** liability. However, this provision will not change our total limit of liability.

- C. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and:
 1. Part A of this policy; or
 2. Any Underinsured Motorists Coverage provided under this policy.
- D. We will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.

- E. A vehicle and attached **trailer** are considered one vehicle. Therefore the limits of liability will not be increased for an accident involving a vehicle which has an attached **trailer**.

limits of liability for coverage provided on an excess basis.

OTHER INSURANCE

If there is other applicable insurance available under one or more policies or provisions of coverage that is similar to the insurance provided under this Part of the policy:

1. Any recovery for damages under all such policies or provisions of coverage may equal but not exceed the highest applicable limit for any one vehicle under any insurance providing coverage on either a primary or excess basis.
2. Any insurance we provide with respect to a vehicle you do not own, including any vehicle while used as a temporary substitute for **your covered auto**, shall be excess over any collectible insurance.
3. If the coverage under this policy is provided:
 - a. on a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage provided on a primary basis.
 - b. on an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable

ARBITRATION

- A. If we and an **insured** do not agree:

1. Whether that **insured** is legally entitled to recover damages; or
2. As to the amount of damages which are recoverable by that **insured**;

from the owner or operator of an **uninsured motor vehicle** then the matter may be arbitrated. However, disputes concerning coverage under this Part may not be arbitrated.

Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.

- B. Each party will:

1. Pay the expenses it incurs; and
2. Bear the expenses of the third arbitrator equally.

- C. Unless both parties agree otherwise, arbitration will take place in the county in which the **insured** lives. Local rules of law as to procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding as to:

1. Whether the insured is legally entitled to recover damages; and
2. The amount of damages.

ADDITIONAL DUTIES

A person seeking Uninsured Motorists Coverage must also promptly send us copies of the legal papers if a suit is brought.

PART D — COVERAGE FOR DAMAGE TO YOUR AUTO

INSURING AGREEMENT

- A. We will pay for direct and accidental loss to **your covered auto** or any **non-owned auto**, including its equipment, any child safety seat in use in **your covered auto** or **non-owned auto**, minus any applicable deductible shown in the Declarations. We will pay for loss to **your covered auto** caused by:
1. Other than **collision** only if the Declarations indicate that Comprehensive Coverage is provided for that auto.
 2. **Collision** only if the Declarations indicate that Collision Coverage is provided for that auto.

If there is a loss to a **non-owned auto**, we will provide the broadest coverage applicable to any vehicle shown in the Declarations.

Deductible

Unless stated otherwise, the applicable deductible shown in the Declarations shall be applied to each accidental loss covered under this Part of the policy. However,

- a. if loss to more than one of **your covered autos** or a **non-owned auto** results from the same loss, only the highest applicable deductible will apply;

b. in the event of a **collision** with another vehicle insured by a Safeco insurance company, other than a vehicle described as **your covered auto** or **non-owned auto**, no deductible will apply.

c. if loss to **your covered auto** or a **non-owned auto** results from the same event as a covered loss under your Homeowners, Condominium or Rental policy issued by a Safeco company, no deductible will apply to **your covered auto** or a **non-owned auto**.

B. "**Collision**" means the upset of **your covered auto** or a **non-owned auto** or its impact with another vehicle or object.

"**Comprehensive**" means loss, other than **collision**, to **your covered auto** or a **non-owned auto**. Losses caused by the following are not **collision** losses but are **comprehensive** losses:

Loss caused by missiles or falling objects; fire; theft or larceny; explosion or earthquake; windstorm; hail, water or flood; malicious mischief or vandalism; riot or civil commotion; contact with a bird or animal; or breakage of glass.

If breakage of glass is caused by a **collision**, you may elect to have it considered a loss caused by **collision**.

C. 1. "**Non-owned auto**" means:

a. Any private passenger auto, pickup, van (other than a cargo van) or **trailer** with a Gross Vehicle Weight Rating of 12,000 pounds or less or any cargo van or moving van with a Gross Vehicle Weight Rating of 18,000 pounds or less not owned by or furnished or available for the regular use of you or any **family member** while in the custody of or being operated by you or any **family member**; or

b. Any auto or **trailer** you do not own while used as a temporary substitute for **your covered auto** which is out of normal use because of its:

- (1) breakdown;
- (2) repair;
- (3) servicing;
- (4) loss; or
- (5) destruction.

2. "**Non-owned auto**" does not include any vehicle which has been operated or rented by or in the possession of an **insured** for

30 or more consecutive days. This does not apply to a temporary substitute vehicle authorized by us.

D. "**Camper body**" means a body equipped as sleeping or living quarters which is designed to be mounted on a pickup.

E. "**Diminution in value**" means the actual or perceived loss in market or resale value which results from a direct and accidental loss.

TRANSPORTATION EXPENSES

A. Subject to the limitations described in paragraphs B. and C., below, we will pay:

1. Temporary transportation expenses incurred by you in the event of the total theft of **your covered auto** or a **non-owned auto**. We will pay for such expenses only if the Declarations indicate that Comprehensive Coverage is provided for that auto. We will pay only expenses incurred during the period:

- a. beginning 48 hours after the theft; and
- b. ending when **your covered auto** or the **non-owned auto** is returned to use or we pay for its loss.

2. Indirect loss expenses for which you become legally responsible in the event of a loss to a **non-owned auto**. We will pay only expenses beginning when the **non-owned auto** is withdrawn from use for more than 24 hours. We will pay for indirect loss expenses if the loss is caused by:

- a. a **comprehensive** loss only if the Declarations indicate that Comprehensive Coverage is provided for any **your covered auto**.
- b. **collision** only if the Declarations indicate that Collision Coverage is provided for any **your covered auto**.

B. For the expenses described in paragraphs A.1. and A.2. we will pay the greater of the following, without application of a deductible:

1. Up to \$25 per day, to a maximum of \$750; or
2. The limit for Loss of Use, if any, shown in the Declarations.

C. Our payment for the expenses described in paragraphs A.1. and A.2. will be limited to that period of time reasonably required to repair or replace the **your covered auto** or the **non-owned auto**.

EXCLUSIONS

We will not pay for:

1. Loss to **your covered auto** or any **non-owned auto** which occurs while it is

being used as a public or livery conveyance. This exclusion (1.) does not apply to a share-the-expense car pool.

2. Loss to **your covered auto** or any **non-owned auto** while employed in the pickup or delivery of newspapers or magazines, food or any products for the purpose of compensation. This exclusion does not apply to delivery that is incidental to an **insured's business**.

3. Damage or loss due and confined to:

- a. wear and tear;
- b. freezing;
- c. mechanical or electrical breakdown or failure; or
- d. road damage to tires.

This exclusion (3.) does not apply if the damage results from the total theft of **your covered auto** or any **non-owned auto**.

4. Damage or loss arising out of neglect. Neglect means your failure to adequately maintain **your covered auto** or **non-owned auto** after the loss.

With respect to water under Comprehensive Coverage, there is no coverage for:

- a. moisture, condensation, humidity, or vapor;
- b. water intrusion around or through panels, surfaces and seals; or
- c. water that collects in spaces or ventilation systems; or
- d. **fungi**, dry rot or bacteria; resulting from neglect.

5. Loss due to or as a consequence of:

- a. discharge of any nuclear weapon (even if accidental);
- b. war (declared or undeclared);
- c. civil war;
- d. insurrection; or
- e. rebellion or revolution.

6. Loss from or as a consequence of the following, whether controlled or uncontrolled or however caused:

- a. nuclear reaction;
- b. radiation; or
- c. radioactive contamination.

7. Loss to:

- a. any electronic equipment designed for the production or reproduction of

sound, pictures, audio, visual or data or that receives or transmits sound, pictures or data signals.

- b. This exclusion (7.) does not apply to:

- (1) equipment designed for the reproduction of sound or transmission of sound, pictures, audio, visual or data signals and accessories used with such equipment, provided:

- (a) the electronic equipment is permanently installed by the original vehicle manufacturer or manufacturer's dealership in **your covered auto** or any **non-owned auto**; or

- (b) the electronic equipment is:

- i. removable from a housing unit which is permanently installed by the original vehicle manufacturer or manufacturer's dealership in the auto;
- ii. designed to be solely operated by use of the power from the auto's electrical system; and
- iii. in or upon **your covered auto** or any **non-owned auto**;

at the time of loss.

- (c) any equipment installed through our Teensurance™ program.

However, we will pay only up to a total of \$1,000 or the actual cash value of **your covered auto** or any **non-owned auto**, whichever is less, for all such equipment that is not installed by the original vehicle manufacturer or manufacturer's dealership.

- (2) any other electronic equipment that is:

- (a) necessary for the normal operation of the auto or the monitoring of the auto's operating systems;
- (b) an integral part of the same unit housing any electronic equipment described in 7.a. and permanently installed by the original vehicle

manufacturer or manufacturer's dealership in **your covered auto** or any **non-owned auto**.

8. Loss to:
 - a. tapes, records, discs, or other media used with such equipment described in exclusion (7.); or
 - b. any other accessories, not permanently installed used with such equipment described in exclusion (7.).
9. Loss to **your covered auto** or any **non-owned auto** due to destruction or confiscation by governmental or civil authorities because you or any **family member**:
 - a. engaged in illegal activities; or
 - b. failed to comply with Environmental Protection Agency or Department of Transportation standards.

This exclusion (9.) does not apply to the interests of Loss Payees in **your covered auto**.

10. Loss to a **camper body**, motorhome or **trailer** you own which is not shown in the Declarations. This exclusion (10.) does not apply to a **camper body**, motorhome or **trailer** you:
 - a. acquire during the policy period; and
 - b. ask us to insure within 30 days after you become the owner.
11. Loss to any **non-owned auto** when used by you or any **family member** without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted.
12. Loss to equipment, whether operational or not, whose design may be used for the detection or location of law enforcement equipment.
13. Loss to any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in the **business** of:
 - a. selling;
 - b. repairing;
 - c. servicing;
 - d. storing; or
 - e. parking;

vehicles designed for use on public highways. This includes road testing and delivery.

14. Loss to any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in any **business** not described in exclusion 2. and 13. This exclusion (14.) does not apply to the maintenance or use by you or any **family member** of a **non-owned auto** which is a private passenger auto or **trailer**.
15. Loss to **your covered auto** or any **non-owned auto** while it is:
 - a. operating on a surface designed or used for racing. This does not apply to an organized and controlled event that is not a speed, performance, stunt or demolition event;
 - b. participating in a high performance driving or racing instruction course or school; or
 - c. preparing for, practicing for, used in, or competing in any prearranged or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.
16. Loss to, or loss of use of, a **non-owned auto** rented by:
 - a. you; or
 - b. any **family member**;

if a rental vehicle company is precluded from recovering such loss or loss of use, from you or that **family member**, pursuant to the provisions of any applicable rental agreement or state law.
17. Loss to **your covered auto** or any **non-owned auto**, arising out of the actual, alleged or threatened presence, growth, proliferation or spread of **fungi**, dry rot or bacteria.
18. Loss to **your covered auto**, **non-owned auto**, or **trailer**, for **diminution in value**.
19. Loss in excess of \$1,000 per claim or the actual cash value of **your covered auto** or any **non-owned auto**, whichever is less, for any furnishings or equipment that were not installed by the original vehicle manufacturer or manufacturer's dealership which mechanically or structurally changes your vehicle and results in increase in performance or change in appearance, including but not limited to:
 - a. custom murals, paintings or other decals or graphics;
 - b. custom wheels, tachometers, pressure and temperature gauges;

- c. modified or custom engines and fuel systems, light bars, racing slicks and/or oversized tires, roll bars and liftkits, winches, utility boxes, and tool boxes; or
- d. non-standard paint.

This exclusion does not apply to equipment installed to make a vehicle handicap accessible.

- 20. Loss arising out of the use of **your covered auto** while leased or rented to others.
- 21. Loss to **your covered auto** or a **non-owned auto** caused by an intentional act by you or a **family member**, or at the direction of you or a **family member**.

LIMIT OF LIABILITY

- A. At our option, our limit of liability for loss will be the lowest of:

- 1. The actual cash value of the stolen or damaged property;
- 2. a. The amount necessary to repair or replace the property;
- b. Determination of the cost of repair or replacement will be based upon one of the following:
 - (1) the cost of repair or replacement agreed upon by you and us;
 - (2) a competitive bid approved by us; or
 - (3) an estimate written based upon the prevailing competitive price. You agree with us that we may include in the estimate parts furnished by the original vehicle manufacturer or parts from other sources including non-original equipment manufacturers. The prevailing competitive price means prices charged by a majority of the repair market in the area where the vehicle is to be repaired as determined by us;

- 3. The limit of liability shown in the Declarations.

However, the most we will pay for loss to any **non-owned auto**, which is a **trailer**, is \$1,500.

- B. An adjustment for depreciation and physical condition may be made based upon the physical condition and wear and tear of the property or damaged part of the property at the time of the loss. This adjustment for physical condition includes but is not limited to, broken, cracked

or missing parts, rust, dents, scrapes, gouges and paint condition. When replacing parts normally subject to repair or replacement during the useful life of the vehicle, we will not pay for the amount of any betterment.

PAYMENT OF LOSS

We may pay for loss in money or repair or replace the damaged or stolen property. We may, at our expense, return any stolen property to:

- 1. You; or
- 2. The address shown in this policy.

If we return stolen property we will pay for any damage resulting from the theft. We may keep all or part of the property at an agreed or appraised value.

If we pay for loss in money, our payment will include the applicable sales tax for the damaged or stolen property.

NO BENEFIT TO BAILEE

This insurance shall not directly or indirectly benefit any carrier or other bailee for hire.

OTHER SOURCES OF RECOVERY

If other sources of recovery also cover the loss, we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, any insurance we provide with respect to a **non-owned auto** shall be excess over any other collectible source of recovery including, but not limited to:

- 1. Any coverage provided by the owner of the **non-owned auto**;
- 2. Any other applicable physical damage insurance;
- 3. Any other source of recovery applicable to the loss.

APPRAISAL

- A. If we and you do not agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will select a competent appraiser. The two appraisers will select an umpire. The appraisers will state separately the actual cash value and the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- 1. Pay its chosen appraiser; and
- 2. Bear the expenses of the appraisal and umpire equally.

- B. We do not waive any of our rights under this policy by agreeing to an appraisal.

PART E — DUTIES AFTER AN ACCIDENT OR LOSS

We have no duty to provide coverage under this policy if the failure to comply with the following duties is prejudicial to us:

- A. We must be notified promptly of how, when and where the accident or loss happened. Notice should also include the names and addresses of any injured persons and of any witnesses.
- B. A person seeking any coverage must:
 - 1. Cooperate with us in the investigation, settlement or defense of any claim or suit.
 - 2. Promptly send us copies of any notices or legal papers received in connection with the accident or loss.
 - 3. Submit, as often as we reasonably require:
 - a. to physical examinations by physicians we select. We will pay for these exams.
 - b. to examination under oath and subscribe the same. We may examine any **insured** separately and apart from the presence of any other **insured**.
 - 4. Authorize us to obtain:
 - a. medical reports; and
 - b. other pertinent records.
- 5. Submit a proof of loss, under oath if requested, when required by us.
- C. A person seeking Uninsured/Underinsured Motorists Coverage must also:
 - 1. Report the accident to the police or other civil authority within twenty-four (24) hours or as soon as practicable if a hit-and-run driver is involved.
 - 2. Promptly send us copies of the legal papers if a suit is brought.
- D. A person seeking Coverage for Damage to Your Auto must also:
 - 1. Take reasonable steps after loss to protect **your covered auto** or any **non-owned auto** and its equipment from further loss. We will pay reasonable expenses incurred to do this.
 - 2. Promptly notify the police if **your covered auto** or any **non-owned auto** is stolen.
 - 3. Permit us to inspect and appraise the damaged property before its repair or disposal.

PART F — GENERAL PROVISIONS

POLICY PERIOD AND TERRITORY

- A. This policy applies only to accidents and losses which occur:
 - 1. During the policy period as shown in the Declarations; and
 - 2. Within the policy territory.
- B. The policy period is the period stated in the Declarations. The policy may be renewed for successive policy periods if the required premium is paid and accepted by us on or before the expiration of the current policy period. The premium will be computed at our then current rate for coverage then offered.
- C. The policy territory is:
 - 1. The United States of America, its territories or possessions;
 - 2. Puerto Rico; or
 - 3. Canada.

This policy also applies to loss to, or accidents involving, **your covered auto** while being transported between their ports.

BANKRUPTCY

Bankruptcy or insolvency of the **insured** shall not relieve us of any obligations under this policy.

CHANGES

- A. This policy, your Declarations page and endorsements issued by us to this policy contain all the agreements between you and us. Its terms may not be changed or waived except by endorsement issued by us.
- B. The premium for your policy is based on information we have received from you or other sources. You agree to cooperate with us in determining if this information is correct and complete and you will notify us if it changes. If this information is incorrect, incomplete, or changes, we will adjust your premium during the policy term or take other appropriate action based upon the corrected, completed or changed information. Changes during the policy term that will result in a premium increase or decrease during the policy term include, but are not limited to, changes in:
 - 1. The number, type or use classification of insured vehicles.

2. Operators using insured vehicles including newly licensed **family member** drivers and any household members that have licenses.
3. The location where your vehicle is principally garaged.
4. Customized equipment or parts.

You also agree to disclose all licensed drivers residing in your household.

- C. If we make a change which broadens coverage under this edition of your policy without additional premium charge, that change will automatically apply to your policy as of the date we implement the change in your state. This paragraph (C.) does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:
 1. A subsequent edition of your policy; or
 2. An Amendatory Endorsement.
- D. Additional or return premium of \$3.00 or less resulting from policy changes will be waived.

PAYMENT OF PREMIUM

If your initial premium payment is by check, draft or any remittance other than cash, coverage under this policy is conditioned upon the check, draft or remittance being honored upon presentment to the bank or other financial institution. If the check, draft or remittance is not honored upon presentment, this policy may, at our option, be deemed void from its inception. This means that we will not be liable under this policy for any claims or damages which would otherwise be covered if the check, draft, or remittance had been honored upon presentment.

FRAUD

This policy was issued in reliance upon the information provided on your application. We may void this policy if you or an **insured** have concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct, at the time application was made or any time during the policy period.

We may void this policy or deny coverage for an accident or loss if you or an **insured** have concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct, in connection with the presentation or settlement of a claim.

We may void this policy or deny coverage for fraud or material misrepresentation even after the occurrence of an accident or loss. This means we will not be liable for any claims or damages which would otherwise be covered. If we make a payment, we may request that you reimburse us. If so requested, you must reimburse us for any payments we may have already made.

LEGAL ACTION AGAINST US

- A. No legal action may be brought against us until there has been full compliance with all the terms of this policy. In addition, under Part A, no legal action may be brought against us until:
 1. We agree in writing that the **insured** has a legal obligation to pay damages; or
 2. The amount of that obligation has been finally determined by judgment after trial.
- B. No person or organization has any right under this policy to bring us into any action to determine the legal liability of an **insured**.

OUR RIGHT TO RECOVER PAYMENT

- A. If we make a payment under this policy and the person to or for whom payment was made has a right to recover damages from another person, entity or organization we shall be subrogated to that right. That person shall:
 1. Do whatever is necessary to enable us to exercise our rights; and
 2. Do nothing after loss to prejudice them.

However, our rights in this paragraph (A.) do not apply under Part D, against any person using **your covered auto** with your express or implied permission or other person having lawful possession and is not using a vehicle beyond the scope of the permission granted.

- B. If we make a payment under this policy and the person to or for whom payment is made recovers damages from another, that person shall:
 1. Hold in trust for us the proceeds of the recovery; and
 2. Reimburse us to the extent of our payment.
- C. 1. Our rights do not apply under paragraph A. with respect to Underinsured Motorists Coverage if:
 - a. We have been given prompt written notice of a tentative settlement between an **insured** and the insurer of an **underinsured motor vehicle**; and
 - b. We fail to advance payment to the **insured** in an amount equal to the tentative settlement within 30 days after receipt of notification.
2. If we advance payment to the **insured** in an amount equal to the tentative settlement within 30 days after receipt of notification:
 - a. That payment will be separate from any amount the **insured** is entitled to recover under the provisions of Underinsured Motorists Coverage; and

- b. We also have a right to recover the advanced payment.

TERMINATION

A. Cancellation. This policy may be canceled during the policy period as follows:

1. The named insured shown in the Declarations may cancel by:
 - a. returning this policy to us; or
 - b. giving us advance written or verbal notice of the date cancellation is to take effect. We may waive the requirement the notice be in writing by confirming the date and time of cancellation to you in writing.
2. We may cancel by mailing to the named insured shown in the Declarations at the address shown in this policy:
 - a. at least 10 days notice:
 - (1) if cancellation is for nonpayment of premium; or
 - (2) if notice is mailed during the first 90 days this policy is in effect and this is not a renewal policy; or
 - b. at least 30 days notice in all other cases.
3. After this policy is in effect for 90 days, or if this is a renewal policy, we will cancel only:
 - a. for nonpayment of premium; or
 - b. for fraud or material misrepresentation concerning the policy or **insureds**; or
 - c. if your driver's license has been suspended or revoked. This must have occurred:
 - (1) during the policy period; or
 - (2) since the second anniversary of the original effective date.

However, in the event that the driver's license of:

- (1) any driver who lives with you; or
- (2) any driver who customarily uses **your covered auto**;

has been suspended or revoked, we may issue an endorsement providing that coverage will not be afforded to that named person.

B. Nonrenewal. If we decide not to renew this policy, we will mail notice to the named insured shown in the Declarations at the address shown in this policy. Notice will be mailed at least 30 days before the end of the policy period.

If the policy period is other than 2 years, or written without a fixed expiration date, we will have the right to not renew it only at each second anniversary of its original effective date.

C. Automatic Termination.

Coverage for **your covered auto** shall automatically terminate on the effective date of any other motor vehicle insurance policy covering that vehicle.

D. Other Termination Provisions.

1. If the law in effect in your state at the time this policy is issued or renewed:
 - a. requires a longer notice period;
 - b. requires a special form of or procedure for giving notice; or
 - c. modifies any of the stated termination reasons;

we will comply with those requirements.
2. We may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.
3. If this policy is canceled, you may be entitled to a premium refund. If so, we will send you the refund. The premium refund, if any, will be computed according to our manuals.
4. The effective date of cancellation stated in the notice shall become the end of the policy period.

TRANSFER OF YOUR INTEREST IN THIS POLICY

A. Your rights and duties under this policy may not be assigned without our written consent. However, if a named insured shown in the Declarations dies, coverage will be provided for:

1. The surviving spouse, civil partner or **domestic partner** if resident in the same household at the time of death. Coverage applies to the spouse, civil partner or **domestic partner** as if a named insured shown in the Declarations; and
2. The legal representative of the deceased person as if a named insured shown in the Declarations. This applies only with respect to the representative's legal responsibility to maintain or use **your covered auto**.

B. Coverage will only be provided until the end of the policy period.

TWO OR MORE AUTOS INSURED; TWO OR MORE AUTO POLICIES

If this policy insures two or more autos or if any other auto insurance policy issued to you by us applies to the same accident, the maximum limit of our liability shall not exceed the highest limit applicable to any

one auto. In no event shall the limit of liability of two or more motor vehicles or two or more policies be added together, combined, or stacked to determine the limit of insurance coverage available to you or any **insured**.

LOSS PAYABLE CLAUSE

As to the interest of the loss payee, this policy will remain in effect from the inception date and until ten days after proof of mailing that the cancellation notice has been mailed to the loss payee. When we pay the loss payee we shall, to the extent of payment, have the loss payee's rights of recovery.

Where fraud, misrepresentation, material omission, or intentional damage has been committed by or at the direction of any **insured**, or where the loss is otherwise not covered under the terms of the policy, the loss payee or lienholder's interest will not be protected.

STORAGE COSTS

If you give us your consent, we may move the damaged property, at our expense, to reduce storage costs during the claims process. If you do not give us your consent, we will pay only the storage costs which would have resulted if we had moved the damaged property.

NAMED DRIVER EXCLUSION

If there is an excluded driver under this policy, then we will not provide coverage for any claim arising from an accident or loss involving a motor vehicle being operated by that excluded person. This includes any claim for damages made against you or any **family member** or any other person or organization that is vicariously liable for an accident arising out of the operation of a motor vehicle by the excluded driver.

ADDITIONAL COVERAGES

AGREEMENT: WE WILL PROVIDE THE INSURANCE DESCRIBED IN EACH OF THE FOLLOWING ADDITIONAL COVERAGES ONLY IF INDICATED IN THE DECLARATIONS.

UNDERINSURED MOTORISTS COVERAGE — OHIO

INSURING AGREEMENT

A. We will pay damages which an **insured** is legally entitled to recover from the owner or operator of an **underinsured motor vehicle** because of **bodily injury**:

1. Sustained by that **insured**; and
2. Caused by an accident.

The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the **underinsured motor vehicle**.

We will pay under this coverage only if 1. or 2. below applies:

1. The limits of liability under any bodily injury liability bonds or policies applicable to the **underinsured motor vehicle** have been exhausted by payment of judgments or settlements; or
2. A tentative settlement has been made between an **insured** and the insurer of the **underinsured motor vehicle** and we:
 - a. have been given prompt written notice of such tentative settlement; and
 - b. advance payment to the **insured** in an amount equal to the tentative settlement within 30 days after receipt of notification.

B. "**Insured**" as used under this coverage means:

1. You or any **family member**.
2. Any other person **occupying your covered auto**, with your express or implied permission. The actual use must be within the scope of that permission.
3. Any person for damages that person is entitled to recover because of **bodily injury** to which this coverage applies sustained by a person described in 1. or 2. above.

C. "**Underinsured motor vehicle**" means a land motor vehicle or trailer of any type to which a bodily injury liability bond or policy applies at the time of the accident, but its limit for bodily injury liability is either:

- a. less than the limit of liability for this coverage; or
- b. reduced by payments to others injured in the accident to an amount which is less than the limit of liability for this coverage.

However, "**underinsured motor vehicle**" does not include any vehicle or equipment:

1. To which a bodily injury liability bond or policy applies at the time of the accident but its limit for bodily injury liability is less than the minimum limit for bodily injury liability specified by the financial responsibility law of Ohio.
2. Owned by or furnished or available for the regular use of you or any **family member**.

3. Owned by any governmental unit or agency.
 4. Operated on rails or crawler treads.
 5. Designed mainly for use off public roads while not upon public roads.
 6. While located for use as a residence or premises.
 7. Owned or operated by a person qualifying as a self-insurer under any applicable motor vehicle law.
 8. To which a bodily injury liability bond or policy applies at the time of the accident but the bonding or insuring company:
 - a. denies coverage; or
 - b. is or becomes insolvent.
- b. participating in a high performance driving or racing instruction course or school; or
 - c. preparing for, practicing for, used in, or competing in any prearranged or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.

- C. This coverage shall not apply directly or indirectly to benefit any insurer or self-insurer under any of the following or similar law:
 1. Workers compensation law; or
 2. Disability benefits law.
- D. We do not provide Underinsured Motorists Coverage for **punitive or exemplary damages**.

EXCLUSIONS

- A. We do not provide Underinsured Motorists Coverage for **bodily injury** sustained:
 1. By an **insured** while **occupying**, or when struck by, any motor vehicle owned by that **insured** which is not insured for this coverage under this policy. This includes a trailer of any type used with that vehicle.
 2. By any **family member** while **occupying**, or when struck by, any motor vehicle you own which is insured for this coverage on a primary basis under any other policy.
- B. We do not provide Underinsured Motorists Coverage for **bodily injury** sustained by any **insured**:
 1. While **occupying your covered auto** when it is being used as a public or livery conveyance. This exclusion (B.1.) does not apply to a share-the-expense car pool.
 2. Sustained while occupying any vehicle while employed in the pickup or delivery of newspapers or magazines, food or any products for the purpose of compensation. This exclusion does not apply to delivery that is incidental to an **insured's business**.
 3. While using a vehicle without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted. However, this exclusion does not apply to you or any **family member** using **your covered auto**.
 4. While **occupying** or operating an owned motorcycle or moped.
 5. While using any vehicle while it is:
 - a. operating on a surface designed or used for racing except for an organized and controlled event that is

LIMIT OF LIABILITY

- A. The limit of liability shown in the Declarations for "each person" for Underinsured Motorists Coverage is our maximum limit of liability for all damages, including damages for care and loss of service (including loss of consortium and wrongful death), arising out of **bodily injury** sustained by any one person in any one accident.

Subject to this limit for "each person", the limit of liability shown in the Declarations for "each accident" for Underinsured Motorists Coverage is our maximum limit of liability for all damages for **bodily injury** resulting from any one accident.

This is the most we will pay regardless of the number of:

1. **Insureds**;
 2. Claims made;
 3. Vehicles or premiums shown in the Declarations; or
 4. Vehicles involved in the accident.
- B. If Combined Single Limit Underinsured Motorists Coverage applies Paragraph A. is replaced by the following:

The limit of liability shown in the Declarations for Underinsured Motorists Coverage is our maximum limit of liability for all damages because of **bodily injury** resulting from any one accident. This is the most we will pay regardless of the number of:

1. **Insureds**;
2. Claims made;

3. Vehicles or premiums shown in the Declarations; or

4. Vehicles involved in the accident.

In no event shall the limit of liability for two or more motor vehicles or two or more policies be added together, combined, or stacked to determine the limit of insurance coverage available to injured persons.

- C. The limit of liability shall be reduced by all sums paid because of the **bodily injury** by or on behalf of persons or organizations who may be legally responsible. This includes all sums paid under Part A of this policy.
- D. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part A or Part C of this policy.
- E. We will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.
- F. A vehicle and attached **trailer** are considered one vehicle. Therefore the limits of liability will not be increased for an accident involving a vehicle which has an attached **trailer**.

OTHER INSURANCE

If there is other applicable insurance available under one or more policies or provisions of coverage that is similar to the insurance provided by this coverage:

- 1. Any recovery for damages under all such policies or provisions of coverage may equal but not exceed the highest applicable limit for any one vehicle under any insurance providing coverage on either a primary or excess basis.
- 2. Any insurance we provide with respect to a vehicle you do not own shall be excess over any collectible insurance.
- 3. If the coverage under this policy is provided:
 - a. on a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage provided on a primary basis.
 - b. on an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage provided on an excess basis.

ARBITRATION

A. If we and an **insured** do not agree:

- 1. Whether that **insured** is legally entitled to recover damages; or
- 2. As to the amount of damages which are recoverable by that **insured**;

from the owner or operator of an **underinsured motor vehicle**, then the matter may be arbitrated. However, disputes concerning coverage under this coverage may not be arbitrated.

Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.

B. Each party will:

- 1. Pay the expenses it incurs; and
- 2. Bear the expenses of the third arbitrator equally.

C. Unless both parties agree otherwise, arbitration will take place in the county in which the **insured** lives. Local rules of law as to procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding as to:

- 1. Whether the **insured** is legally entitled to recover damages; and
- 2. The amount of damages.

ADDITIONAL DUTIES

A person seeking coverage under this endorsement must also promptly:

- 1. Send us copies of the legal papers if a suit is brought; and
- 2. Notify us in writing of a tentative settlement between the **insured** and the insurer of the **underinsured motor vehicle** and allow us 30 days to advance payment to that **insured** in an amount equal to the tentative settlement to preserve our rights against the insurer, owner or operator of such **underinsured motor vehicle**. However, this paragraph (2.) does not apply if failure to notify us does not prejudice our rights against the insurer, owner or operator of such **underinsured motor vehicle**.

UNINSURED MOTORISTS COVERAGE PROPERTY DAMAGE

INSURING AGREEMENT

A. We will pay damages which an **insured** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** because of

property damage caused by an accident arising out of actual physical contact with your **covered auto**. The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the **uninsured motor vehicle**.

Any judgment for damages arising out of a suit brought without our written consent is not binding on us.

B. "**Property damage**" as used in this coverage means injury to or destruction of **your covered auto**. However, **property damage** does not mean:

1. Loss of use of **your covered auto**; or
2. Damage to personal property contained in **your covered auto**.

C. "**Uninsured motor vehicle**" means a land motor vehicle or trailer of any type:

1. To which no liability bond or policy affording coverage for **property damage** applies at the time of the accident.
2. To which a liability bond or policy affording coverage for **property damage** applies at the time of the accident. In this case the limit for property damage liability must be less than the minimum limit for property damage liability specified by the financial responsibility law of Ohio.
3. To which a liability bond or policy affording coverage for **property damage** applies at the time of the accident but the bonding or insuring company:
 - a. denies coverage; or
 - b. is or becomes insolvent.

However, "**uninsured motor vehicle**" does not include any vehicle or equipment:

1. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.
2. Operated on rails or crawler treads.
3. Designed mainly for use off public roads while not on public roads.
4. While located for use as a residence or premises.

EXCLUSIONS

A. We do not provide Uninsured Motorists Coverage for **property damage**:

1. If the **insured** or the legal representative settles the **property damage** claim without our consent. However, this exclusion (A.1.) does not apply if such settlement does not prejudice our right to recover payment.

2. When **your covered auto** is being used as a public or livery conveyance. This exclusion (A.2.) does not apply to a share-the-expense car pool.

3. While using any vehicle while employed in the pickup or delivery of newspapers or magazines, food or any products for the purpose of compensation. This exclusion does not apply to delivery that is incidental to an **insured's business**.

4. While using a vehicle without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted. However, this exclusion does not apply to you or any **family member** using **your covered auto**.

5. For the first \$250 of the amount of **property damage** to each of **your covered autos** as the result of any one accident.

6. While using any vehicle while it is:

- a. operating on a surface designed or used for racing except for an organized and controlled event that is not a speed, performance, stunt or demolition event;
- b. participating in a high performance driving or racing instruction course or school; or
- c. preparing for, practicing for, used in, or competing in any prearranged or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.

7. To any motor vehicle owned by you for which you have purchased Collision Coverage under this policy or any other policy.

8. If the owner or operator of the **uninsured motor vehicle** cannot be identified.

9. While **occupying** or operating an owned motorcycle or moped.

B. This coverage shall not apply directly or indirectly to benefit any insurer of the property.

C. We do not provide Uninsured Motorists Coverage Property Damage for **punitive or exemplary damages**.

LIMIT OF LIABILITY

A. Our maximum limit of liability for all damages resulting from any one accident will be the lesser of:

1. The limit of liability shown in the Declarations; or

2. The actual cash value of **your covered auto**.

This is the most we will pay, regardless of the number of:

1. **Insureds**;
 2. Claims made;
 3. Vehicles or premiums shown in the Declarations; or
 4. Vehicles involved in the accident.
- B. An adjustment for depreciation and physical condition may be made based upon the physical condition and wear and tear of the property or damaged part of the property at the time of the loss. This adjustment for physical condition includes but is not limited to, broken, cracked or missing parts, rust, dents, scrapes, gouges and paint condition. When replacing parts normally subject to repair or replacement during the useful life of the vehicle, we will not pay for the amount of any betterment.
- C. We will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.

OTHER INSURANCE

If there is other applicable similar insurance we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, any insurance we provide with respect to a vehicle you do not own shall be excess over any other collectible insurance.

ARBITRATION

- A. If we and an **insured** do not agree:
1. Whether that person is legally entitled to recover damages under this coverage; or
 2. As to the amount of damages which are recoverable by that **insured**;
- by the owner or operator of an **uninsured motor vehicle** then the matter may be arbitrated. However, disputes concerning coverage may not be arbitrated.
- Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.
- B. Each party will:
1. Pay the expenses it incurs; and
 2. Bear the expenses of the third arbitrator equally.

- C. Unless both parties agree otherwise, the arbitration will take place in the county in which the **insured** lives. Local rules of law as to procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding as to:

1. Whether the **insured** is legally entitled to recover damages; and
2. The amount of damages.

ADDITIONAL DUTIES AFTER AN ACCIDENT OR LOSS

A person seeking coverage under this endorsement must also promptly send us copies of the legal papers if a suit is brought.

ROADSIDE ASSISTANCE COVERAGE CALL 1-877-ROAD 101 (1-877-762-3101)

"**Your covered auto**" as used in this endorsement means a private passenger vehicle, motor home or trailer owned by you and for which a specific premium is shown on the Declarations for this coverage.

The following coverages apply to each vehicle for which this coverage is shown on the Policy Declarations:

1. Each time **your covered auto** or any **non-owned auto** is disabled due to mechanical or electrical breakdown we will pay reasonable and necessary expenses for the use of an **authorized service provider** to tow or flatbed **your covered auto** or **non-owned auto** up to 10 miles or to the nearest qualified place where necessary repairs can be made during regular **business hours**.
2. Each time **your covered auto** or any **non-owned auto** is disabled requiring:
 - a. Towing to dislodge the vehicle from its place of disablement within 100 feet of a public street or highway; or
 - b. Labor, including change of tire, at the place of its breakdown; or
 - c. Delivery of fuel, oil, water or other fluids (we do not pay the costs of these items); or
 - d. Key lock-out services;

we will cover up to one (1) hour of labor for the use of an **authorized service provider** for service at the place of disablement.
3. For policies with a 6 month policy term, coverage is limited to no more than two occurrences per vehicle plus an additional two occurrences per policy in a 6 month policy period for both coverages 1. and 2., above.

4. For policies with an annual policy term, coverage is limited to no more than four occurrences per vehicle plus an additional four occurrences per policy in a 12 month policy period for both coverages 1. and 2. above.

Authorized service provider means a service provider contracted by us providing, at no charge to you, roadside assistance as described and limited above.

When service is provided by other than an **authorized service provider**, we will reimburse you only for reasonable charges as determined by us.

No deductible applies to this coverage.

LOSS OF USE COVERAGE

The provisions and exclusions that apply to Part D — Coverage for Damage to Your Auto also apply to this coverage except as changed below:

When there is a loss to any vehicle described in the Declarations for which a specific premium charge indicates that Loss of Use Coverage is afforded, we will reimburse you for expenses you incur to rent a substitute vehicle.

This coverage applies only if:

1. The vehicle is withdrawn from use for more than 24 hours;
2. The loss is caused by **collision**, or is covered by the Comprehensive Coverage of this policy; and

3. The loss exceeds the appropriate **collision** or **comprehensive** deductible applying to the vehicle.

However, this coverage does not apply to losses caused by **collision** if Collision Coverage does not apply to the vehicle.

Our payment will be limited to that period of time reasonably required to repair or replace the vehicle. We will pay up to the amount per day and the maximum shown for Loss of Use in the Declarations.

No deductible applies to this coverage.

FULL SAFETY GLASS COVERAGE

We will pay under Comprehensive Coverage for the cost of repairing or replacing damaged **safety equipment** on **your covered auto** without a deductible. We will pay only if:

1. The Declarations indicates that Comprehensive Coverage applies; and
2. A specific premium charge for Full Safety Glass Coverage is shown in the Declarations for **your covered auto**.

"Safety equipment", as used in this coverage means the:

1. Glass used in the windshield, doors and windows of **your covered auto**; and
2. Glass, plastic or other material used in the lights of **your covered auto**.

**CALIFORNIA PERSONAL AUTO POLICY**

SAFECO INSURANCE COMPANY OF AMERICA
 FIRST NATIONAL INSURANCE COMPANY OF AMERICA
 GENERAL INSURANCE COMPANY OF AMERICA
 Home Office: 4333 Brooklyn Ave. N.E., Seattle, Washington 98185
 Safeco INSURANCE COMPANY OF ILLINOIS
 Home Office: 2800 W. Higgins Rd., Suite 1100, Hoffman Estates, Illinois 60195
 (Each a stock insurance company.)

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SA-1852/CAEP 6/04

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IF YOU HAVE A PROBLEM

The California Department of Insurance maintains a Consumer Affairs Division to investigate consumer complaints at:

**California Department of Insurance
Consumer Affairs Division
300 South Spring Street
Los Angeles, California 90013
Telephone (Toll Free): 1-(800)-927-HELP
(4357)**

The Department requests that you should only contact the Department of Insurance after contacts with the insurance company or its agent or other representative have failed to produce a satisfactory solution to your problem.

AGREEMENT

In return for payment of the premium and subject to all the terms of this policy, we agree with you as follows:

DEFINITIONS

A. Throughout this policy, "you" and "your" refer to:

1. Any "named insured" shown in the Declarations; and
2. The spouse if a resident of the same household.

B. "We," "us" and "our" refer to the Company providing this insurance.

C. For purposes of this policy, a private passenger type auto shall be deemed to be owned by a person if leased:

1. Under a written agreement to that person; and
2. For a continuous period of at least six months.

Other words and phrases are defined. They are in bold type when used.

D. "**Bodily injury**" means bodily harm, sickness or disease, including death that results.

E. "**Business**" includes trade, profession or occupation.

F. "**Family member**" means a person related to you by blood, marriage or adoption who is a resident of your household. This includes a ward or foster child who is a resident of your household.

G. "**Occupying**" means in; upon; or getting in, on, out or off.

H. "**Property damage**" means physical injury to or destruction of tangible property including loss of use.

I. "**Punitive or exemplary damages**" include damages which are awarded to punish or deter wrongful conduct, to set an example, to fine, penalize or impose a statutory penalty, and damages which are awarded for any purpose other than as compensatory damages for **bodily injury** or **property damage**.

J. "**Trailer**" means a vehicle designed to be pulled by a:

1. Private passenger auto; or
2. Pickup, van or motor home.

It also means a recreational camping vehicle, a farm wagon or farm implement while towed by a vehicle listed in 1. or 2. above.

K. "**Your covered auto**" means:

1. Any vehicle shown in the Declarations.
2. Any of the following types of vehicles on the date you become the owner, whether operational or not:

a. a private passenger auto;

b. a pickup or van that:

(1) has a Gross Vehicle Weight of less than 10,000 lbs.; and

(2) is not used for the delivery or transportation of goods and materials unless such use is:

(a) incidental to your **business** of installing, maintaining or repairing furnishings or equipment; or

(b) for farming or ranching; or

c. a motor home.

If the vehicle you acquire replaces one shown in the Declarations, it will have the same coverage as the vehicle it replaced.

If the vehicle you acquire is in addition to any shown in the Declarations, it will have the broadest coverage we now provide for any vehicle shown in the Declarations.

This provision (K.2.) applies only if you ask us to insure the newly acquired vehicle during the policy period in which it was acquired or within thirty days after you become the owner, whichever is greater.

3. Any **trailer** you own.

4. Any auto or **trailer** you do not own while used as a temporary substitute for any other vehicle described in this definition which is out of normal use because of its:

a. breakdown;

b. repair;

c. servicing;

d. loss; or

e. destruction.

This provision (K.4.) does not apply to Coverage for Damage to Your Auto.

PART A — LIABILITY COVERAGE

INSURING AGREEMENT

- A. We will pay damages for **bodily injury** or **property damage** for which any **insured** becomes legally responsible because of an auto accident. We will settle or defend, as we consider appropriate, any claim or suit asking for these damages. In addition to our limit of liability, we will pay all defense costs we incur. Our duty to settle or defend ends when our limit of liability for this coverage has been exhausted. We have no duty to defend any suit or settle any claim for **bodily injury** or **property damage** not covered under this policy.
- B. "Insured" as used in this Part means:
1. You or any **family member** for the ownership, maintenance or use of any auto or trailer.
 2. Any person using **your covered auto**.
 3. For **your covered auto**, any person or organization but only with respect to legal responsibility for acts or omissions of a person for whom coverage is afforded under 1. and 2. above.
 4. For any auto or **trailer**, other than **your covered auto**, any other person or organization but only with respect to legal responsibility for acts or omissions of you or any **family member** for whom coverage is afforded under this Part. This provision (B.4.) applies only if the person or organization does not own or hire the auto or trailer.

SUPPLEMENTARY PAYMENTS

In addition to our limit of liability, we will pay on behalf of an **insured**:

1. Up to \$250 for the cost of bail bonds required because of an accident, including related traffic law violations. The accident must result in **bodily injury** or **property damage** covered under this policy. We are not obligated to apply for or furnish such bonds.
2. Premiums on appeal bonds and bonds to release attachments in any suit we defend.
3. Interest on that part of the judgment we pay, accruing after a judgment is entered in any suit we defend. Our duty to pay interest ends when we offer to pay that part of the judgment which does not exceed our limit of liability for this coverage.
4. Up to \$50 a day for loss of earnings, but not other income, because of attendance at hearings or trials at our request.
5. Other reasonable expenses incurred at our request.

EXCLUSIONS

- A. We do not provide Liability Coverage for any **insured**:
1. Who intentionally causes **bodily injury** or **property damage**.
 2. For **property damage** to property owned or being transported by that **insured**.
 3. For **property damage** to property:
 - a. rented to;
 - b. used by; or
 - c. in the care of;
 that **insured**.
 This exclusion (A.3.) does not apply to **property damage** to a residence or private garage.
 4. For **bodily injury** to an employee of that **insured** during the course of employment. This exclusion (A.4.) does not apply to **bodily injury** to a domestic employee unless workers' compensation benefits are required or available for that domestic employee.
 5. For **bodily injury** to any fellow employee of the **insured** injured in the course of employment if the **bodily injury** arises out of the use of an auto in the **business** of the employer. This exclusion (A.5.) does not apply to you with respect to **bodily injury** sustained by any fellow employee.
 6. For liability arising out of the ownership or operation of a vehicle while it is being used as a public or livery conveyance. This exclusion (A.6.) does not apply to a share-the-expense car pool.
 7. While employed or otherwise engaged in the **business** or occupation of:
 - a. selling;
 - b. repairing;
 - c. servicing;
 - d. storing; or
 - e. parking;

vehicles designed for use mainly on public highways. This includes road testing and delivery. This exclusion (A.7.) does not apply to the ownership, maintenance or use of **your covered auto** by:

- a. you;
 - b. any **family member**; or
 - c. any partner, agent or employee of you or any **family member**.
8. Maintaining or using any vehicle while that **insured** is employed or otherwise engaged in any **business** (other than farming or ranching) not described in Exclusion A.7.
- This exclusion (A.8.) does not apply to the maintenance or use of a:
- a. private passenger auto;
 - b. pickup, motorhome or van that:
 - (1) you own; or
 - (2) you do not own while used as a temporary substitute for **your covered auto** which is out of normal use because of its:
 - (a) breakdown;
 - (b) repair;
 - (c) servicing;
 - (d) loss; or
 - (e) destruction; or
 - c. **trailer** used with a vehicle described in a. or b. above.
9. Using a vehicle without a reasonable belief that that **insured** has permission to do so.
10. For **bodily injury** or **property damage** for which that **insured**:
- a. is an insured under a nuclear energy liability policy; or
 - b. would be an insured under a nuclear energy liability policy but for its termination upon exhaustion of its limit of liability.

A nuclear energy liability policy is a policy issued by any of the following or their successors:

- a. American Nuclear Insurers;
 - b. Mutual Atomic Energy Liability Underwriters; or
 - c. Nuclear Insurance Association of Canada.
11. For **punitive or exemplary damages** awarded against any **insured**.

12. For **bodily injury** to you or any **family member** whenever the ultimate benefits of that indemnification accrue directly or indirectly to you or any **family member**.

B. We do not provide Liability Coverage for the ownership, maintenance or use of:

- 1. Any vehicle which:
 - a. has fewer than four wheels; or
 - b. is designed mainly for use off public roads.

This exclusion (B.1.) does not apply:

- a. while such vehicle is being used by an **insured** in a medical emergency; or
- b. to any **trailer**.

- 2. Any vehicle, other than **your covered auto**, which is:

- a. owned by you; or
- b. furnished or available for your regular use.

- 3. Any vehicle, other than **your covered auto**, which is:

- a. owned by any **family member**; or
- b. furnished or available for the regular use of any **family member**.

However, this exclusion (B.3.) does not apply to you while you are maintaining, **occupying** or operating any vehicle which is:

- a. owned by a **family member**; or
- b. furnished or available for the regular use of a **family member**.

- 4. Any vehicle, located inside a facility designed for racing, for the purpose of:

- a. competing in; or
- b. practicing or preparing for;

any prearranged or organized racing or speed contest.

LIMIT OF LIABILITY

- A. If the Declarations indicate **Individual Coverages** apply:

The limit of liability shown in the Declarations for each person for Bodily Injury Liability is our maximum limit of liability for all damages, including damages for care and loss of services (including loss of consortium and wrongful death), arising out of **bodily injury** sustained by any one person in any one auto accident.

Subject to this limit for each person, the limit of liability shown in the Declarations for each accident for Bodily Injury Liability is our maximum limit of liability for all damages for

bodily injury resulting from any one auto accident.

The limit of liability shown in the Declarations for each accident for Property Damage Liability is our maximum limit of liability for all **property damage** resulting from any one accident.

This is the most we will pay regardless of the number of:

1. **Insureds**;
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the auto accident.

B. If the Declarations indicate Combined Single Limit applies:

The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for all damages resulting from any one auto accident. This is the most we will pay regardless of the number of:

1. **Insureds**;
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the auto accident.

We will apply the limit of liability to provide any separate limits required by law for bodily injury and property damage liability. However, this provision will not change our total limit of liability.

C. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part B or Part C of this policy.

OUT OF STATE COVERAGE

If an auto accident to which this policy applies occurs in any state or province other than the one in which **your covered auto** is principally garaged, we will interpret your policy for that accident as follows:

A. If the state or province has:

1. A financial responsibility or similar law specifying limits of liability for **bodily injury** or **property damage** higher than the limit shown in the Declarations, your policy will provide the higher specified limit.
2. A compulsory insurance or similar law requiring a nonresident to maintain insurance whenever the nonresident uses a vehicle in that state or province, your policy will provide at least the required minimum amounts and types of coverage.

B. No one will be entitled to duplicate payments for the same elements of loss.

FINANCIAL RESPONSIBILITY

When this policy is certified as future proof of financial responsibility, this policy shall comply with the law to the extent required.

OTHER INSURANCE

If there is other applicable liability insurance or evidence of financial responsibility:

1. Any insurance we provide for a vehicle you do not own shall be excess over any other collectible insurance or evidence of financial responsibility. However, any insurance we provide for a vehicle you do not own will be primary insurance if the vehicle is insured under a policy affording coverage to a named insured engaged in the **business** of:

- a. selling;
- b. repairing
- c. servicing;
- d. delivering;
- e. testing;
- f. road testing;
- g. parking; or
- h. storing;

motor vehicles. This applies only if an **insured**:

- a. Is operating the vehicle; and
- b. Is neither the person engaged in such **business** nor that person's employee or agent.

2. Any insurance we provide for a vehicle you own shall be excess to that of:

a. A person engaged in the business of:

- (1) selling;
- (2) repairing
- (3) servicing;
- (4) delivering;
- (5) testing;
- (6) road testing;
- (7) parking; or
- (8) storing;

motor vehicles, if the accident occurs while the vehicle is being operated by that person or that person's employee or agent; or

- b. An owner, tenant or lessee of premises on which loss arising out of the loading or unloading of the vehicle occurs.
- 3. We will pay only our share of:
 - a. the loss. Our share of the loss is the proportion that our limit of liability bears to the total of all applicable limits.

- b. defense costs if both primary and excess policies of liability insurance or evidence of financial responsibility apply to the loss. Our share of defense costs is the proportion that the amount of damages paid by us bears to the total amount of damages paid under all applicable policies of liability insurance or evidence of financial responsibility.

PART B — MEDICAL PAYMENTS COVERAGE

INSURING AGREEMENT

- A. We will pay the usual and customary charges incurred for reasonable and necessary medical and funeral expenses because of **bodily injury**:

- 1. Caused by accident; and
- 2. Sustained by an **insured**.

We will pay only those expenses incurred for services rendered within 3 years from the date of the accident.

- B. “**Insured**” as used in this Part means:

- 1. You or any **family member**:

- a. while **occupying**; or
- b. as a pedestrian when struck by;

a motor vehicle designed for use mainly on public roads or a **trailer** of any type.

Also, you or any **family member** while **occupying** a bicycle when struck by a motor vehicle designed for use mainly on public roads or by a **trailer** of any type.

- 2. Any other person while **occupying your covered auto**.
- 3. Any other person while **occupying**, as a guest, an automobile not owned by you or a **family member**, while being operated by you or a **family member**.

EXCLUSIONS

We do not provide Medical Payments Coverage for any **insured** for **bodily injury**:

- 1. Sustained while **occupying** any motorized vehicle having fewer than four wheels.
- 2. Sustained while **occupying your covered auto** when it is being used as a public or livery conveyance. This exclusion (2.) does not apply to a share-the-expense car pool.

- 3. Occurring during the course of employment if workers' compensation benefits are required or available for the **bodily injury**.

- 4. Sustained while **occupying**, or when struck by, any vehicle (other than **your covered auto**) which is:

- a. owned by you; or
- b. furnished or available for your regular use.

- 5. Sustained while **occupying**, or when struck by, any vehicle (other than **your covered auto**) which is:

- a. owned by any **family member**; or
- b. furnished or available for the regular use of any **family member**.

However, this exclusion (5.) does not apply to you.

- 6. Sustained while **occupying** a vehicle without a reasonable belief that that **insured** has permission to do so.

- 7. Sustained while **occupying** a vehicle when it is being used in the **business** or occupation of an **insured**. This exclusion (7.) does not apply to **bodily injury** sustained while **occupying** a:

- a. private passenger auto;
- b. pickup, van or motor home that you own; or
- c. **trailer** used with a vehicle described in a. or b. above.

- 8. Caused by or as a consequence of:

- a. discharge of a nuclear weapon (even if accidental);
- b. war (declared or undeclared);
- c. civil war;
- d. insurrection; or
- e. rebellion or revolution.

9. From or as a consequence of the following, whether controlled or uncontrolled or how-ever caused:
 - a. nuclear reaction;
 - b. radiation; or
 - c. radioactive contamination.
10. Sustained while **occupying** any vehicle lo-cated inside a facility designed for racing, for the purpose of:
 - a. competing in; or
 - b. practicing or preparing for;
 any prearranged or organized racing or speed contest.

LIMIT OF LIABILITY

- A. The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for each person injured in any one accident. This is the most we will pay regard-less of the number of:
 1. **Insureds**;

2. Claims made;
3. Vehicles or premiums shown in the Decla-rations; or
4. Vehicles involved in the accident.

- B. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part A or Part C of this policy.

OTHER INSURANCE

If there is other medical, hospital benefits insurance (other than Medicare), Health Maintenance Organi-zation or Preferred Provider Organization benefits available from any source against a loss covered by the Medical Payments Coverage of this policy, this insurance shall be excess insurance over any other valid and collectible medical, hospital benefits insurance, Health Maintenance Organization or Preferred Provider Organization benefits.

If two or more policies apply on an excess basis to a loss covered by the Medical Payments Coverage of this policy, we will pay only our share. Our share is the proportion that our limit of liability bears to the total of all applicable limits.

PART C — UNINSURED MOTORISTS COVERAGE

INSURING AGREEMENT

- A. We will pay damages which an **insured** is le-gally entitled to recover from the owner or op-erator of an **uninsured motor vehicle** because of:
 1. **Bodily injury** sustained by an **insured** and caused by an accident;
 2. **Property damage** caused by an accident if the Declarations indicates that **property damage** Uninsured Motorists Coverage ap-plies to that auto. Only items 1. and 4. un-der the definition of **uninsured motor vehicle** apply to **property damage**.

The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the **uninsured motor ve-hicle**. With respect to coverage under item 2. of the definition of **uninsured motor vehicle**, we will pay only after the limits of liability under any applicable liability bonds or policies have been exhausted by payment of judgments or settlements.

Any judgment for damages arising out of a suit brought without our written consent is not binding on us.

- B. "**Insured**" as used in this Part means:

1. You or any **family member**.
2. Any other person **occupying your covered auto**.
3. Any person for damages that person is en-titled to recover because of **bodily injury** to which this coverage applies sustained by a person described in 1. or 2. above.

However, with respect to coverage for **bodily injury**, **insured** does not include any person who sustains **bodily injury** while **your covered auto** is being used as a public or livery conveyance. This exception does not apply to a share-the-expense car pool.

- C. "**Property damage**" as used in this Part means injury to or destruction of **your covered auto**. However, **property damage** does not include:

1. Loss of use of **your covered auto**; or
2. Damage to personal property contained in **your covered auto** other than a child pas-senger restraint system that:
 - a. meets the applicable federal motor vehicle safety standards; and
 - b. was in use by a child at the time of the accident for which this coverage ap-plies.

D. **"Uninsured motor vehicle"** means a land motor vehicle or **trailer** of any type:

1. To which no bodily injury liability bond or policy applies at the time of the accident.
2. Which, with respect to damages for **bodily injury** only, is an underinsured motor vehicle. An underinsured motor vehicle is one to which a liability bond or policy applies at the time of the accident but its limit for liability is less than the limit of liability for this coverage.
3. Which, with respect to damages for **bodily injury** only, is a hit-and-run vehicle whose owner or operator cannot be identified and which makes physical contact with:
 - a. you or any **family member**;
 - b. a vehicle which you or any **family member** are **occupying**; or
 - c. **your covered auto**.
4. To which a bodily injury liability bond or policy applies at the time of the accident, but the bonding or insuring company:
 - a. denies coverage;
 - b. refuses to admit coverage except conditionally or with reservation; or
 - c. is or becomes insolvent.

With respect to coverage for **property damage**, the accident must involve direct physical contact between **your covered auto** and the **uninsured motor vehicle**, and:

1. The owner or operator of the **uninsured motor vehicle** must be identified; or
2. The **uninsured motor vehicle** must be identified by its license number.

However, **"uninsured motor vehicle"** does not include any vehicle or equipment:

1. Furnished or available for the regular use of you or any **family member**.
2. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.
3. Owned by any governmental unit or agency.
4. Designed or modified for use primarily off public roads while not on public roads.
5. While located for use as a residence or premises.
6. Owned by you or any **family member** unless the vehicle is being operated, or caused to be operated, by a person without the consent of the owner of such vehicle in

connection with criminal activity that has been documented in a police report.

EXCLUSIONS

A. We do not provide Uninsured Motorists Coverage for **bodily injury** sustained:

1. By an **insured** while **occupying**, or when struck by:
 - a. any motor vehicle; or
 - b. a **trailer** of any type used with a motor vehicle;

owned by that **insured** which is not insured for this coverage under this policy.

2. By any **family member** while **occupying**, or when struck by, any motor vehicle you own which is insured for this coverage on a primary basis under any other policy.

However, this Exclusion (A.) shall not apply to **bodily injury** sustained by an **insured** when struck by any motor vehicle or trailer:

1. Owned by that **insured**; and
2. Being operated, or caused to be operated, by a person without that **insured's** consent in connection with criminal activity that has been documented in a police report and that **insured** is not a party to the criminal activity.

B. We do not provide Uninsured Motorists Coverage for **bodily injury** sustained by any **insured**:

1. If that **insured** or the legal representative settles the **bodily injury** claim without our consent.

This exclusion (B.1.) does not apply to a settlement made with the insurer of a vehicle described under item 2. of the definition of **uninsured motor vehicle**.

2. Using a vehicle without a reasonable belief that that **insured** has permission to do so. This Exclusion (B.2.) does not apply to a **family member** using **your covered auto** which is owned by you.
3. While **occupying** a motor vehicle rented or leased to that **insured** for use as a public or livery conveyance.
4. While **occupying** or operating an owned motorcycle or moped.

C. We do not provide Uninsured Motorists Coverage for **property damage** sustained by any **insured** while **occupying** or when struck by any motor vehicle owned by you or any **family member** which is not insured for this coverage under this policy.

D. This coverage shall not apply:

1. To **property damage** to:
 - a. a trailer of any type;
 - b. any motor vehicle owned by you to which Collision Coverage applies under this policy; or
 - c. any other motor vehicle to the extent that there is valid and collectible Collision Coverage applicable to that damage under any other policy.
2. Directly or indirectly to benefit:
 - a. any insurer or self-insurer under any of the following or similar law:
 - (1) workers' compensation law; or
 - (2) disability benefits law.
 - b. any insurer of property.
3. Directly to the benefit of the United States or any state or political subdivision thereof.

E. We do not provide Uninsured Motorists Coverage for **punitive or exemplary damages.****F. We do not provide Uninsured Motorists Coverage for **bodily injury** resulting from an accident for which you or any **family member** are legally responsible.****LIMIT OF LIABILITY**

- A.** The limit of Bodily Injury Liability shown in the Declarations for "each person" for Uninsured Motorists Coverage is our maximum limit of liability for all damages, including damages for care and loss of services (including loss of consortium and wrongful death), arising out of **bodily injury** sustained by any one person in any one accident.

Subject to this limit for "each person", the limit of Bodily Injury Liability shown in the Declarations for "each accident" for Uninsured Motorists Coverage is our maximum limit of liability for all damages for **bodily injury** resulting from any one accident.

Our maximum limit of liability for all damages for **property damage** resulting from any one accident will be the lesser of:

1. The limit of Property Damage Liability shown in the Declarations;
2. The actual cash value of **your covered auto**; or
3. The amount of any deductible if there is valid and collectible Collision Coverage under any other policy.

An adjustment for depreciation and physical condition will be made in determining actual cash value at the time of the loss.

The limit of Bodily Injury or Property Damage Liability shown in the Declarations is the most we will pay regardless of the number of:

1. **Insureds**;
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the accident.

In no event shall the limit of liability for two or more policies be added together, combined or stacked to determine the limit of insurance coverage available to injured persons.

- B.** With respect to coverage under item 2. of the definition of **uninsured motor vehicle**, the limit of liability shall be reduced by all sums:

1. Paid because of the **bodily injury** by or on behalf of persons or organizations who may be legally responsible. This includes all sums paid under Part A of the policy; and
2. The amount paid and the present value of all amounts payable to the **insured** under any workers' compensation law, exclusive of nonoccupational disability benefits.

- C.** No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part A or Part B of this policy.

- D.** We will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.

- E.** We will not pay for any element of loss if a person is entitled to receive payment for the same element of loss under any workers' compensation law exclusive of nonoccupational disability benefits.

OTHER INSURANCE

If there is other applicable insurance available under one or more policies or provisions of coverage that is similar to the insurance provided under this Part of the policy:

1. Any recovery for damages under all such policies or provisions of coverage may equal but not exceed the highest applicable limit for any one vehicle under any insurance providing coverage on either a primary or excess basis.
2. Any insurance we provide with respect to a vehicle you do not own shall be excess over any collectible insurance providing coverage on a primary basis.

3. If the coverage under this policy is provided:
- on a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage provided on a primary basis.
 - on an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage provided on an excess basis.

ARBITRATION

- A. If we and an **insured** do not agree:
- Whether that person is legally entitled to recover damages; or

2. As to the amount of damages:

Then the matter will be settled by arbitration. Such arbitration may be initiated by a written demand for arbitration made by either party. The arbitration shall be conducted by a single neutral arbitrator. With respect to **property damage** arbitration proceedings must be formally instituted by the **insured** within 1 year from the date of the accident. Disputes concerning coverage under this part may not be arbitrated.

- B. Each party will;
- Pay the expenses it incurs; and
 - Bear the expenses of the arbitrator equally.
- C. Any decision of the arbitrator will be binding as to:
- Whether the **insured** is legally entitled to recover damages; and
 - The amount of damages.

PART D — COVERAGE FOR DAMAGE TO YOUR AUTO

INSURING AGREEMENT

- A. We will pay for direct and accidental loss to **your covered auto** or any **non-owned auto**, including its equipment, minus any applicable deductible shown in the Declarations. We will pay for loss to **your covered auto** caused by:

- Other than **collision** only if the Declarations indicate that Comprehensive Coverage is provided for that auto.
- Collision** only if the Declarations indicate that Collision Coverage is provided for that auto.

If there is a loss to a **non-owned auto**, we will provide the broadest coverage applicable to any vehicle shown in the Declarations.

- B. "**Collision**" means the upset of **your covered auto** or a **non-owned auto** or its impact with another vehicle or object. No deductible will apply if the collision is:
- With another auto insured by either Safeco Insurance Company of America, Safeco Insurance Company of Illinois, Safeco National Insurance Company, First National Insurance Company of America or General Insurance Company of America; or
 - Caused by an **uninsured motor vehicle** as defined in items 1. and 4. of the **uninsured motor vehicle** definition and the Declarations indicates that Waiver of Collision Deductible coverage applies to that vehicle.

"**Comprehensive**" means loss, other than **collision**, to **your covered auto** or a **non-owned auto**. Loss caused by the following are not **collision** losses but are **comprehensive** losses:

Loss caused by missiles or falling objects; fire; theft or larceny; explosion or earthquake; windstorm; hail, water or flood; malicious mischief or vandalism; riot or civil commotion; contact with a bird or animal; or breakage of glass.

If breakage of glass is caused by a **collision**, you may elect to have it considered a loss caused by **collision**.

- C. "**Non-owned auto**" means:

- Any private passenger auto, pickup, van or **trailer** not owned by or furnished or available for the regular use of you or any **family member** while in the custody of or being operated by you or any **family member**; or
- Any auto or **trailer** you do not own while used as a temporary substitute for **your covered auto** which is out of normal use because of its:
 - breakdown;
 - repair;
 - servicing;
 - loss; or
 - destruction.

- D. "**Camper body**" means a body equipped as sleeping or living quarters which is designed to be mounted on a pickup.

TRANSPORTATION EXPENSES

In addition we will pay, without application of a deductible, either of the following, whichever is greater:

1. Up to \$22 per day, to a maximum of \$660; or
2. The limit for Loss of Use, if any, shown on the Declarations;

For:

1. Temporary transportation expenses incurred by you in the event of the total theft of **your covered auto**. We will pay for such expenses only if the Declarations indicate that Comprehensive Coverage is provided for that auto.
2. Indirect loss expenses for which you become legally responsible in the event of a loss to a **non-owned auto**. We will pay for indirect loss expenses if the loss is caused by:
 - a. other than **collision** only if the Declarations indicate that Comprehensive Coverage is provided for any **your covered auto**.
 - b. **collision** only if the Declarations indicate that Collision Coverage is provided for any **your covered auto**.

If the loss is caused by a total theft of **your covered auto** or a **non-owned auto**, we will pay only expenses incurred during the period:

1. Beginning 48 hours after the theft; and
2. Ending when **your covered auto** or the **non-owned auto** is returned to use or we pay for its loss.

If the loss is caused by other than a total theft of a **non-owned auto**, we will pay only expenses beginning when the auto is withdrawn from use for more than 24 hours.

Our payment will be limited to that period of time reasonably required to repair or replace **your covered auto** or the **non-owned auto**.

LOSS TO WEARING APPAREL AND LUGGAGE

In addition to the applicable limit of liability, we will pay up to \$200 for each accident, for loss to you or any **family member** for direct and accidental loss of or damage to wearing apparel and luggage. The loss must be caused by:

1. A **collision** to which Collision Coverage under this policy applies.
2. Fire, lightning, flood or total theft of **your covered auto** and the loss coincides with other loss to which Comprehensive Coverage applies.

EXCLUSIONS

We will not pay for:

1. Loss to **your covered auto** or any **non-owned auto** which occurs while it is being used as a public or livery conveyance. This exclusion (1.) does not apply to a share-the-expense car pool.
2. Damage due and confined to:
 - a. wear and tear;
 - b. freezing;
 - c. mechanical or electrical breakdown or failure; or
 - d. road damage to tires.

This exclusion (2.) does not apply if the damage results from the total theft of **your covered auto** or any **non-owned auto**.

3. Loss due to or as a consequence of:
 - a. radioactive contamination;
 - b. discharge of any nuclear weapon (even if accidental);
 - c. war (declared or undeclared);
 - d. civil war;
 - e. insurrection; or
 - f. rebellion or revolution.

4. Loss to:
 - a. any electronic equipment designed for the reproduction of sound, including, but not limited to:
 - (1) radios and stereos;
 - (2) tape decks; or
 - (3) compact disc players;
 - b. any other electronic equipment that receives or transmits audio, visual or data signals, including, but not limited to:
 - (1) citizens band radios;
 - (2) telephones;
 - (3) 2-way mobile radios;
 - (4) scanning monitor receivers;
 - (5) television monitor receivers;
 - (6) video cassette recorders;
 - (7) audio cassette recorders; or
 - (8) personal computers;
 - c. tapes, records, discs, or other media used with equipment described in a. or b.; or
 - d. any other accessories used with equipment described in a. or b.

This exclusion (4.) does not apply to:

- a. equipment designed solely for the reproduction of sound and accessories used with such equipment, provided:
 - (1) the equipment is permanently installed in **your covered auto** or any **non-owned auto**; or
 - (2) the equipment is:
 - (a) removable from a housing unit which is permanently installed in the auto;
 - (b) designed to be solely operated by use of the power from the auto's electrical system; and
 - (c) in or upon **your covered auto** or any **non-owned auto**; at the time of the loss.
 - b. any other electronic equipment that is:
 - (1) necessary for the normal operation of the auto or the monitoring of the auto's operating systems; or
 - (2) an integral part of the same unit housing any sound reproducing equipment described in a. and permanently installed in the opening of the dash or console of **your covered auto** or any **non-owned auto** normally used by the manufacturer for installation of a radio.
5. A total loss to **your covered auto** or any **non-owned auto** due to destruction or confiscation by governmental or civil authorities because you or any **family member**:
- a. engaged in illegal activities; or
 - b. failed to comply with Environmental Protection Agency or Department of Transportation standards.

This exclusion (5.) does not apply to the interests of Loss Payees in **your covered auto**.

6. Loss to a **camper body**, motor home or **trailer** you own which is not shown in the Declarations. This exclusion (6.) does not apply to a **camper body**, motor home or **trailer** you:
 - a. acquire during the policy period; and
 - b. ask us to insure during the policy period or within 30 days after you become the owner, whichever is greater.
7. Loss to any **non-owned auto** when used by you or any **family member** without a reasonable belief that you or that **family member** have permission to do so.

8. Loss to equipment designed or used for the detection or location of radar or laser.

9. Loss to any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in the **business** of:

- a. selling;
- b. repairing;
- c. servicing;
- d. storing; or
- e. parking;

vehicles designed for use on public highways. This includes road testing and delivery.

10. Loss to any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in any **business** not described in exclusion 9. This exclusion (10.) does not apply to the maintenance or use by you or any **family member** of a **non-owned auto** which is a private passenger auto or **trailer**.

11. Loss to **your covered auto** or any **non-owned auto**, located inside a facility designed for racing, for the purpose of:

- a. competing in; or
- b. practicing or preparing for;

any prearranged or organized racing or speed contest.

12. Loss to, or loss of use of, a **non-owned auto** rented by:

- a. you; or
- b. any **family member**;

if a rental vehicle company is precluded from recovering such loss or loss of use, from you or that **family member**, pursuant to the provisions of any applicable rental agreement or state law.

LIMIT OF LIABILITY

- A. Our limit of liability for loss will be the lesser of the:

1. Actual cash value of the stolen or damaged property;
2. Amount necessary to repair or replace the property; or
3. Limit of liability shown in the Declarations.

However, the most we will pay for loss to any **non-owned auto** which is a **trailer** is \$1,000.

- B. An adjustment for depreciation and physical condition will be made in determining actual cash value at the time of loss.

PAYMENT OF LOSS

We may pay for loss in money or repair or replace the damaged or stolen property. We may, at our expense, return any stolen property to:

1. You; or
2. The address shown in this policy.

If we return stolen property we will pay for any damage resulting from the theft. We may keep all or part of the property at an agreed or appraised value.

If we pay for loss in money, our payment will include the applicable sales tax for the damaged or stolen property.

NO BENEFIT TO BAILEE

This insurance shall not directly or indirectly benefit any carrier or other bailee for hire.

OTHER SOURCES OF RECOVERY

If other sources of recovery also cover the loss, we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, any insurance we provide with respect to a **non-owned auto** shall be

excess over any other collectible source of recovery including, but not limited to:

1. Any coverage provided by the owner of the **non-owned auto**;
2. Any other applicable physical damage insurance;
3. Any other source of recovery applicable to the loss.

APPRAISAL

A. If we and you do not agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will select a competent appraiser. The two appraisers will select an umpire. The appraisers will state separately the actual cash value and the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
 2. Bear the expenses of the appraisal and umpire equally.
- B. We do not waive any of our rights under this policy by agreeing to an appraisal.

PART E — DUTIES AFTER AN ACCIDENT OR LOSS

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- A. We must be notified promptly of how, when and where the accident or loss happened. Notice should also include the names and addresses of any injured persons and of any witnesses.
- B. A person seeking any coverage must:
 1. Cooperate with us in the investigation, settlement or defense of any claim or suit.
 2. Promptly send us copies of any notices or legal papers received in connection with the accident or loss.
 3. Submit, as often as we reasonably require:
 - a. to physical examinations by physicians we select. We will pay for these exams.

- b. to examination under oath and subscribe the same. We may examine any **insured** separately and apart from the presence of any other **insured**.
4. Authorize us to obtain:
 - a. medical reports; and
 - b. other pertinent records.
5. Submit a proof of loss, under oath if requested, when required by us.
6. Must not, except at the **insured's** own cost:
 - a. voluntarily make any payment;
 - b. assume any obligation; or
 - c. incur any expense other than for immediate medical or surgical relief to others imperative at the time of the accident.

C. A person seeking Uninsured Motorists Coverage must also:

1. Promptly notify the police or other proper authority, within 24 hours if a hit-and-run driver is involved. The **insured** must provide us within 30 days of the accident, a statement under oath:

a. that the **insured** has a cause of action for damages arising out of an accident with a hit-and-run vehicle whose owner or operator cannot be identified; and

b. setting forth the facts in support thereof.

At our request, the **insured** must make **your covered auto** available for inspection.

2. Promptly send us copies of the legal papers if a suit is brought.

A person seeking coverage for **bodily injury** sustained in an accident involving a vehicle described in item 2. of the definition of **uninsured motor vehicle** must:

1. Provide us with a copy of the complaint by personal service or certified mail, if the **insured** brings action against the owner or operator of the **uninsured motor vehicle**.

2. Within a reasonable time, make available all pleadings and depositions for copying by us or furnish us copies at our expense.

3. Provide us with proof that the limits of liability under any applicable liability bonds or policies have been exhausted by payment of judgments or settlements.

A person seeking Uninsured Motorists Coverage for **property damage** must also notify us or our agent within 10 business days of the accident.

D. A person seeking Coverage for Damage to Your Auto must also:

1. Take reasonable steps after loss to protect **your covered auto** or any **non-owned auto** and its equipment from further loss. We will pay reasonable expenses incurred to do this.

2. Promptly notify the police if **your covered auto** or any **non-owned auto** is stolen.

3. Permit us to inspect and appraise the damaged property before its repair or disposal.

4. Submit a proof of loss, under oath if requested, within 91 days after date of the loss, and upon the company's request, exhibit the damaged property.

PART F — GENERAL PROVISIONS

POLICY PERIOD AND TERRITORY

A. This policy applies only to accidents and losses which occur:

1. During the policy period as shown in the Declarations; and
2. Within the policy territory.

B. The policy period is the period stated in the Declarations. The policy may be renewed for successive policy periods if the required premium is paid and accepted by us on or before the expiration of the current policy period. The premium will be computed at our then current rate for coverage then offered.

C. The policy territory is:

1. The United States of America, its territories or possessions;
2. Puerto Rico;
3. Canada; or
4. Mexico, within 100 miles of the United States boundary line.

This policy also applies to loss to, or accidents involving, **your covered auto** while being transported between their ports.

BANKRUPTCY

Bankruptcy or insolvency of the **insured** shall not relieve us of any obligations under this policy.

CHANGES

A. Before the end of any policy period, we may offer to change the coverage provided in this policy. Your payment of the premium billed by us for the next policy period will be your acceptance of our offer.

B. This policy contains all the agreements between you and us. Its terms may not be changed or waived except by endorsement issued by us.

C. If there is a change to the information used to develop the policy premium, we may adjust your premium. Changes during the policy term that may result in a premium increase or decrease include, but are not limited to, changes in:

1. The number, type or use classification of insured vehicles;
2. Operators using insured vehicles;